



premier

Office Of The Premier
PROVINCE OF KWAZULU-NATAL

FRAUD PREVENTION PLAN

2017/2018

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GLOSSARY OF TERMS

Throughout this document, unless otherwise stated, the words in the first column below have the meanings stated opposite them in the second column (and cognate expressions shall bear corresponding meanings):

“PAM”	:	Public Administration Management Act, 2014
“Corruption”	:	Giving or offering; receiving or agreeing to receive; obtaining or attempting to obtain any benefit which is not legally due to or by a person who has been charged with a duty or power by virtue of any employment, to do any act or omit to do any act in relation to that power or duty.
“Department”	:	The Office of the Premier
“Fraud”	:	The unlawful and intentional making of a misrepresentation resulting in actual or potential prejudice to another.
“IAU”	:	Internal Audit Unit – Provincial Treasury
“PFMA”	:	Public Finance and Management Act, Act 1 of 1999
“Plan”	:	Fraud Prevention Plan
“Policy”	:	The Whistle Blowing Policy
“Protected Disclosures Act”	:	Protected Disclosures Act, Act 26 of 2000
“PRECCA”	:	Prevention and Combating of Corrupt Activities Act
“Province”	:	KwaZulu Natal
“P S C B C”	:	Public Service Co-ordinating Bargaining Council
“Forensic Investigations Unit”	:	The forensic investigations unit within the IAU of the Provincial Treasury
“S A P S”	:	South African Police Services

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- “The Act” : Public Service Act, 1994
- “Theft” : The unlawful and intentional misappropriation of another’s property or property which is in his/her lawful possession, with the intention to deprive the owner of its rights permanently.
- “Treasury” : KwaZulu-Natal Provincial Treasury
- “Resolutions” : Integrity Leadership Summit Resolutions – 22 -23 October 2015

SECTION I: INTRODUCTION AND DEVELOPMENT OF THE PLAN

- 1.1 This document represents the Fraud Prevention Plan for Office of the Premier. The Plan recognises basic fraud prevention initiatives within the Office of the Premier. Furthermore, it identifies key risks of fraud that will be addressed as these risks could jeopardise the successful implementation of the various components of the Plan.
- 1.2 The primary objectives of the Plan are to:
- a) Provide guidelines in preventing, detecting and reporting fraudulent activities within Office of the Premier;
 - b) Create an organizational culture within the Office of the Premier and transversally where all employees and stakeholders continuously behave ethically in their dealings with or on behalf of Office of the Premier and Provincial Administration;
 - c) Encourage all employees and stakeholders to strive towards the prevention and detection of fraud and corruption which could potentially impact on the Office of the Premier and or Provincial Administration;
 - d) Encourage all employees and stakeholders to report suspicions of fraudulent activity without fear of reprisals or recriminations; and
 - e) Provide a focus point for the allocation of accountability and authority.
- 1.3 The Plan is dynamic and it will continuously evolve as the Office of the Premier makes changes and improvements in its drive to promote ethics and prevent fraud and corruption.

- 1.4 In reviewing the Plan, several risks, including fraud and corruption risks which were identified as part of a detailed and comprehensive risk analysis exercise undertaken by the Internal Audit Unit (IAU) were also taken into account.
- 1.5 In addition, high level reviews of the following documentation were undertaken:
- The P S C B C Resolution No.2 of 1999 and the Disciplinary Code and Procedures for the Public Service;
 - Departmental policies;
 - Cabinet Resolution No. 166 of 2000, relating to the investigation of Government fraud;
 - The KwaZulu-Natal Anti-Corruption Strategy published on 12 June 2008;
 - Public Service Regulations, 2016; and
 - The Public Service Code of Conduct.
- 1.6 The risks of fraud addressed in this document should not be relied upon as the full spectrum of the risks facing the Office of the Premier, but rather as an indication of the type of risks that can be expected bearing in mind the transformation of risks of fraud resulting from constant technological enhancements and changing business processes.

SECTION II: ATTRIBUTES OF FRAUD

2.1 A detailed definition of Fraud, Corruption and Theft is reflected in the Glossary of Terms. The following indicators, although not exhaustive, reflect actions that may be considered to be fraudulent:

Systems Issues	:	<p>Where a process/system exists which is prone to abuse by either employees or the public, e.g.:</p> <ul style="list-style-type: none"> • Maladministration or financial misconduct in handling or reporting of money, financial transactions, or other assets; • Collusion in awarding contracts or orders for goods and/or services; and • Disclosing confidential or proprietary information to outside parties.
Financial Issues	:	<p>Where individuals or companies have fraudulently obtained money, e.g.:</p> <ul style="list-style-type: none"> • Suppliers submitting invalid invoices or invoicing for work not properly completed; and • Theft of petty cash. • Misstatement of financial reports
Equipment and Resource Issues	:	<p>Where equipment is utilised for personal benefit, e.g.:</p> <ul style="list-style-type: none"> • Abuse of telephones, internet and e-mail; and • Abuse of assets, including equipment and time.

Other Issues	:	<p>Activities undertaken by employees which may be unlawful against the Office of the Premier and the Provincial Administration’s regulations or policies; falls under established standards or practices or amounts to improper conduct, e.g.:</p> <ul style="list-style-type: none"> • Receiving undue gifts or favours for carrying out functions, e.g. gifts in contravention of the relevant policy; and • Deliberately omitting or refusing to report or act upon reports of any irregular or dishonest conduct.
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2.2 In order to understand and to be able to detect fraudulent activities, employees should be aware of the behavioural aspects of individuals and organisations. The behavioural aspect of individuals assists in profiling a typical fraudster while that of organisations typifies the risks that make the organisation susceptible to fraud.

2.3 The following, although not exhaustive, reflect the behavioural aspects of individuals and organisations which are typically “red flags” or “fraud indicators” that all employees within Office of the Premier and the Provincial Administration should be aware of in their daily functions:

Indicators that individuals may be susceptible to committing fraud

- Unusually high personal debts;
- Severe personal financial losses;
- Living beyond one’s means;
- Extensive involvement in speculative investments;

- Excessive gambling habits;
- Alcohol and drug abuse;
- Unexplained wealth;
- Sudden change of lifestyle;
- Domestic problems;
- Involved in extra-marital relationships;
- Undue family or peer pressure to succeed;
- Staff under stress without heavy workload;
- Always working late;
- Reluctance to take leave;
- Refusal to accept promotion;
- Feeling of being underpaid;
- Dissatisfaction or frustration with job;
- Feeling of insufficient recognition for job performance;
- Lack of a clearly defined career path;
- Continual threats to quit;
- Belief that the job is in jeopardy;
- Close associations with suppliers/ contractors;
- Suppliers/ contractors who insist on dealing with only one particular member of staff;
- Close associations with customers;
- Poor credit rating;
- Rationalisation or justification of poor performance;

- Wheeler-dealer attitude;
- Lack of personal stability such as frequent job changes, residence, partners and acquaintances;
- High staff turnover, with new staff resigning quickly;
- Desire to “beat the system”;
- Unreliable communications and reports;
- Criminal record;
- Defendant in a civil suit;
- Rationalisation for conflicting behavioural patterns;
- Obvious lack of code of personal ethics; and
- Undisclosed conflicts of interest.

Indicators that OTP may be a target for a fraudster

- Inadequate document management system;
- Weak strategic management system;
- Lack of stake holder engagement strategy;
- Unsafe and unhealthy working environment;
- Lack of proper monitoring of the implementation of approved SCM processes;
- Inability to effectively deal with incidences of fraud and corruption and unethical behaviour;
- Inability to effectively monitor, evaluate and report on service delivery strategies and programmes;

- Nondisclosure of financial interest and officials doing business with the state.
- Inability to control the use of emergency and urgent provisions;
- Ineffective management of fleet management processes;
- Inadequate asset management procedures;
- Poor management of leave;
- Poor management of contracts;
- Poor implementation of employee performance management system;
- Processing of irregular expenditure;
- Litigations.

2.4 In addition to the behavioural aspects of individuals and organisations which typifies circumstances that could result in fraudulent activity, there are other factors which may not necessarily be categorised as behavioural aspects, but result in fraudulent activity. These indicators of the opportunities to commit fraud, although not exhaustive, may be summarised as follows:

- Rapid turnover of key employees, through resignation or dismissal;
- Dishonest or dominant management;
- Inadequate communication and training programmes;
- No effective internal control function or lack of a risk based approach;
- Reluctance to provide auditors/ consultants with requested information;
- Continuous problems with regulatory agencies; and
- Unexplained and unusual accounting transactions.

2.5 Certain events or circumstances, could also lead to fraudulent activity. These situations, although not exhaustive, may be summarised as follows:

- Dependence on or utilisation of only a few suppliers;
- Non-existent and over-valued assets;
- Unexplained increases in assets;
- The department is decentralised without adequate monitoring;
- Unusually large transactions between related parties that are not in the ordinary course of business.

2.6 All employees within the Office of the Premier are required to be aware of the indicators listed above and to be vigilant against acts of fraud within the Office of the Premier. Should an employee have any knowledge or suspicion of fraudulent activity and unethical behaviour, the employee is obliged to report such fraudulent activity to either directly to his/her immediate supervisor or the Head of Integrity Management Unit (033 341 3406) or alternatively call the National Anticorruption Hotline Number (0800 701 701). Employees may report anonymously if that is preferred. Section 2 of The Public Service Regulations demands such reporting by all employees. The Prevention and Combating of Corrupt Activities Act demands that members who holds position of authority reports any fraud amounting to R100 000 and above to SAPS.

SECTION III: THE FRAUD PREVENTION PLAN

The main principles of the Plan

3.1 The following reflects the main principles which form the basis of the Plan:

- Developing and maintaining an organizational culture which is intolerant to fraud through continuous ethical training and awareness campaigns;
- Deterrence of fraud;
- Preventing fraud which cannot be deterred through control measures;
- Detection of fraud;
- Investigating detected fraud;
- Taking appropriate action against fraudsters, e.g. disciplinary action, prosecution, civil recoveries, etc;
- Applying sanctions, which include redress in respect of financial losses; and
- Pledge respect for the civil rights of all citizens, including the employees of the Office of the Premier and the Provincial Administration.

Objectives of the Plan

3.2 The objectives of the Plan as set out below are in line with and complement a principle-oriented ethos and strategic direction as articulated in the PFMA and other relevant legislation, taking into account the documentation referred to in paragraph 1.5 above.

3.3 The objectives of the Plan can be summarised as follows:

- Improving accountability, efficiency and effective administration within the Office of the Premier and Provincial Administration.
- Continuously supporting a culture within the Office of the Premier where all employees and other stakeholders continuously behave ethically in their dealings with, or on behalf of Office of the Premier and the Provincial Administration;
- Improving the application of systems, plans, policies, procedures and regulations;
- Improving relevant aspects of the Office of the Premier to facilitate transversally the reporting and monitoring of incidents of fraud; and
- Encouraging all employees and other stakeholders to strive for the deterrence, prevention and detection of fraud impacting, or having the potential to impact on the Office of the Premier and the Provincial Administration.

Components of the Plan

3.4 The above objectives are not intended to detract from the premise that all the components are equally essential for the successful realisation of the Plan. The Plan is structured to address the prevention, detection, investigation and reporting of fraudulent activities.

3.5 The following represents the components of the Plan:

(a) Prevention

(Ethical Culture, Training and Awareness, Policies and Procedures,

Physical and Information Security, Employee vetting, and Risk Management.)

(b) Detection

(Corruption database, Internal Audit, Management Action, Whistle Blowing and Reporting Mechanism)

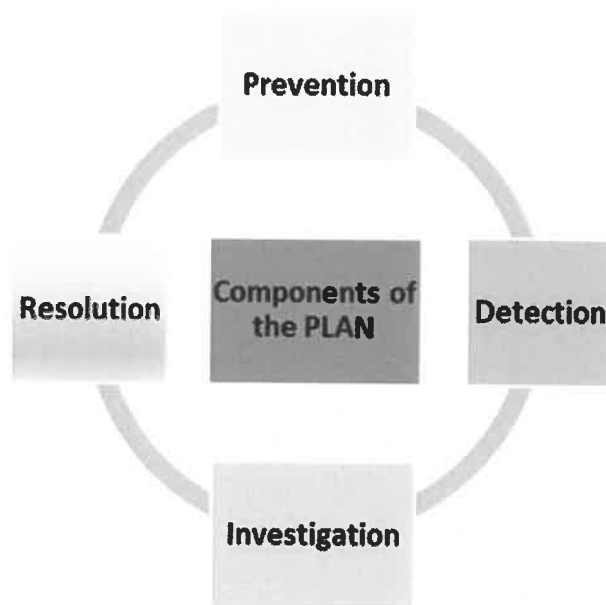
(c) Investigation

(Internal Capacity and Cooperation with other agencies)

(d) Resolution

(Disciplinary actions, Improved controls, Civil recovery, Criminal prosecution, and Referring to other agencies).

3.6 An illustration of the main components of the Plan is contained in the figure below:



A. PREVENTING FRAUD

4.1 Code of Conduct

4.1.1 A Code of Conduct as amended by Public Service Regulations of 2016 is intended to set down clear guidelines relating to Office of the Premier's expectations of the highest ethical standards of business conduct and integrity by its employees, public servants and other stakeholders.

4.1.2 The Code is applicable to all employees of the Office of the Premier. In order to contextualise the Code as a component of the Plan, it has been attached as **Appendix A**.

4.1.3 The Premier expects all people and organisations that are in any way associated with it to be honest and fair in their dealings with it and its clients. All employees are expected to lead by example in these matters.

4.1.4 The generic risks identified in this area are the following:

- Lack of buy-in or compliance with the requirements of the Code by management and employees;
- Employees with low integrity and/ or standards of professional duties who are constantly seeking to enhance their personal benefit;
- Lack of awareness and or inadequate communication and training strategy relating to the Code;
- Inadequate control over identifying and monitoring remunerative work undertaken by employees, outside their official duties, without approval;
- Inadequate control over identifying employees doing business with the organs of the state;

- Lack of adequate controls over the acceptance of gifts, personal benefits by employees or any other form of gratification.
- Inadequate control over incomplete or false disclosures.

4.1.5 Compliance by employees of Office of the Premier with the Code, both in its spirit and content, would address the risks listed in paragraph 4.1.4 above. However, appreciating the fact that striving to achieve such a status immediately would be idealistic, the Office of the Premier will pursue the following tactics to improve professional ethics and conduct of its employees:

- a) A copy of the Code will be circulated to all employees and will be included in induction packs for new employees;
- b) Relevant aspects of the Code will be included in the Ethics Awareness presentations, training sessions and communication programmes to create awareness thereof amongst employees and other stakeholders.
- c) Ethics awareness workshops will be conducted in all levels of staff within the Office of The Premier to ensure the achievement of the following objectives:
 - Assisting employees to understand the meaning of fraudulent, corrupt, and unethical behaviour;
 - Presenting case studies which will assist in developing behaviour to articulate and encourage attitudes and values which support ethical behaviour;
 - Assisting employees to understand the organizational values within the Office of the Premier and the need to align their personal values to these organisational values;
 - Assisting employees to understand issues involved in making ethical

judgements; and

- Communicating the implications of unethical behaviour and its impact on individuals, the workplace, professional relationships, within the Office of the Premier and external stakeholders.

4.2 Office of the Premier's systems, policies, procedures, rules and regulations.

4.2.1 The Office of the Premier has a number of systems, policies, procedures, and rules designed to ensure compliance with prevailing legislation and to limit risk, including the risks of fraud. Fundamentally, all employees in the Office of the Premier should understand and comply with these.

4.2.2 The following are some of the relevant policies, procedures, rules and regulations:

- Departmental Policies;
- Provincial Conflict of Interest policy
- Cabinet manual
- Delegations of authority
- Disciplinary Code and Procedures for the Public Service;
- Code of Conduct for Public Servants;
- The acceptance of gifts policy
- DPSA Directive on other Remunerative Work outside the employee's employment in the relevant department.
- Public Service Regulations 2016

4.2.3 In addition to the above, several operational measures have been designed to control all business activities.

4.2.4 The Office of the Premier has identified the key risks of fraud in this area as the following:

- Lack of knowledge and understanding amongst employees of prevailing policies and procedures;
- A lack of structured awareness and training programs for employees in applicable policies, procedures, rules and regulations;
- Deliberate non-adherence or non-compliance with policies and procedures by employees as a result of weaknesses in the system of adequately monitoring and evaluating compliance with policies and procedures;
- Resistance by employees to accept objectives and requirements detailed in strategic plans and policies and procedures, since they have not been part of the development of the strategic plans and policies and procedures;
- Lack of proper delegations, in writing, as required by the PFMA;
- Collusion in procurement process.
- Lack of effective systems for the management of assets and inventory;

The lack of management information necessary for timeous risk identification and decision-making.

4.2.5 The risks that are indicated in paragraph 4.2.4 above suggest, amongst other issues, that the policy and procedure framework of the Office of the Premier needs strengthening.

4.2.6 The Office of the Premier recognises that its employees are often best placed to

identify “loopholes” or weaknesses in systems and procedures. The OTP is therefore committed to harnessing this knowledge through the development of a structured program aimed at encouraging employee commitment and effort in reporting such weaknesses.

4.2.7 In addition, the OTP will undertake the following actions to mitigate the risks identified in paragraph 4.2.4:

- Clearly defined communication and training strategies will be developed to create awareness of existing and new policies and procedures in order to ensure that all employees are made aware of, and adequately trained in the implementation of policies and procedures relevant to their employment, duties and responsibilities.
- OTP will keep adequate records serving as proof that employees have been made aware of the policies and procedures applicable to the Office of the Premier and relevant to their duties.
- Internal audits and ad-hoc procedures will be undertaken to monitor and evaluate the extent of compliance with policies and procedures. In instances where serious breaches occur, swift and efficient disciplinary action will be considered to set an example to other potential wrongdoers.
- New policies and procedures and strategic plans will be circulated to staff at appropriate levels, in draft format, for the input and comments before they are finalised.
- A specific effort will be made to ensure that the requirements of National Treasury Instruction SCM Instruction Note 3 of 2016/17 paragraph 7, for

placing of restrictions on suppliers and/ or other providers of goods and/ or services who are found guilty of unethical conduct or other irregularities, are pursued vehemently. Any employee found to be colluding with suppliers will be subjected to immediate disciplinary action with a minimum sanction of dismissal and any losses suffered by the Office of the Premier will be recouped from the employee.

4.3 Disciplinary Code and Procedures

4.3.1 The Disciplinary Code and Procedures (**Appendix B**) prescribes appropriate steps to be taken to resolve disciplinary matters. The strategic risks of fraud which have been identified with regard to discipline and the application thereof are the following:

- The disciplinary process, in some instances, takes too long;
- Inadequate training of investigating officers dealing with the case;
- Lack of consultation between investigating officers and the investigating team, concerning findings and charges;
- Inadequate maintenance and security of source documents to be used at disciplinary, criminal and civil proceedings; and
- Inconsistent application of disciplinary action.

4.3.2 The OTP recognises the fact that the consistent and efficient application of disciplinary measures is an integral component of making the Plan a success.

The OTP will continue to pursue the following steps to ensure the consistent, efficient and speedy application of disciplinary measures:

- (a) Ensuring, by communication and awareness exercises that all managers are aware of the content of the Disciplinary Code and Procedures, their responsibility for maintaining discipline, the standards of discipline expected, the procedure for the application of disciplinary measures and

the disciplinary process;

- (b) Ongoing training of managers and investigating officers with regard to the content of the Disciplinary Code and Procedures, the application of disciplinary measures and the disciplinary process, and sustaining this training in conjunction with Risk Management Services and Human Resources Management;
- (c) Developing a system to facilitate the consistent application of disciplinary measures, e.g. a monitoring system that includes proper record keeping of all disciplinary actions taken; and
- (d) Developing a system where managers are held accountable for the management and addressing of misconduct and fraud within their sections.

4.4 Internal Controls

4.4.1 This section of the Plan relates to basic internal controls to prevent and detect fraud. The systems, policies, procedures, rules and regulations of the Office of the Premier prescribe various controls, which if effectively implemented, would limit fraud within the Office of the Premier. These controls may be categorised as follows, it being recognised that the categories contain overlapping elements:

(a) Prevention controls:

- These are divided into two sub-categories, namely
Authorisation and Physical;

(b) Detection controls:

- These are divided into four categories, namely Arithmetic and Accounting, Physical, Supervision and Management Information;
and

(c) Segregation of Duties

Prevention controls

a) Authorisation

- (i) All transactions require authorisation or approval by a responsible person with appropriate authority limits.
- (ii) The authority limits are specified in the delegations of authority of the Office of the Premier.

b) Physical

- (i) These controls are concerned mainly with the custody of assets and involve procedures and security measures designed to ensure that access to assets is limited to personnel, who have been duly authorised, in writing.

Detection controls

a) Arithmetic and accounting

- (i) These are basic controls within the recording function that check that transactions to be recorded and processed have been authorised and that they are completely and correctly recorded and accurately processed.
- (ii) Such controls include checking the arithmetical accuracy of the records, the maintenance and checking of totals, reconciliation and accounting for documents.

b) Physical

- (i) These controls relate to the security of records. They therefore underpin arithmetic and accounting controls.

- (ii) Their similarity to preventive controls lies in the fact that these controls are also designed to limit access to unauthorised persons.
- c) Supervision
 - (i) This control relates to supervision by managers of day-to-day transactions and the recording thereof.
- d) Management information
 - (i) This relates to the review of management accounts and budgetary control.
 - (ii) These controls are normally exercised by management outside the day-to-day routine of the system.

Segregation of duties

- a) The lack of segregation of duties mainly within SCM or the overriding of existing internal controls is a generic risk that exposes the Office of the Premier to the inherent risk of fraud and manipulation of data. One of the primary means of control is the separation of those responsibilities or duties, which, if combined, enable one individual to record and process a complete transaction, thereby providing him/her with the opportunity to manipulate the transaction irregularly and commit fraud.
- b) Segregation of duties reduces the risk of intentional manipulation or error and increases the element of checking.
- c) Functions that should be separated include those of authorisation, execution, custody and recording and, in the case of computer-based accounting systems, systems development and daily operations.

- d) Placed in context with fraud, segregation of duties lies in separating either the authorisation or the custodial function from the checking function.
- e) To ensure that these internal controls are effectively and consistently applied, deficiencies and non-compliance identified by internal audit will be addressed as follows:
- The Office of the Premier will continue to regularly re-emphasise to all SMS Members that consistent compliance by employees with internal controls is in itself one of the fundamental controls in place to prevent fraud. SMS Members will be encouraged to recognise that internal control shortcomings identified during the course of audits are, in many instances, purely symptoms and that they should strive to identify and address the causes of these internal control weaknesses, in addition to addressing the control weaknesses.
 - The Office of the Premier will ensure that the performance appraisal of SMS Members will take into account the number of audit queries raised and the level of seriousness of the consequent risk to the Office of the Premier as a result of the internal control deficiency identified. This is intended to raise the level of accountability for internal control by the Head of Department and SMS Members.
 - A matrix of internal control weaknesses identified during audits and investigations will be developed in order to assist in the identification of areas that require additional focus.
- f) Where SMS Members do not comply with basic internal controls, e.g. non-adherence to the delegation of authority limits, firm disciplinary action will be considered.

4.4.2 All employees including SMS members within the Office of the Premier are encouraged to be aware of and to identify any internal control weaknesses within their working environment and to communicate such weaknesses to their

immediate supervisor or to the Head of Integrity Management Unit.

4.5 Physical and information security

4.5.1 *Physical security*

- (a) Recognising that effective physical security is one of the "front line" defences against fraud, the Office of the Premier will take regular steps to improve physical security and access control at its offices in order to limit the risk of theft of assets.
- (b) The OTP will also consider conducting a regular review of the physical security arrangements at its offices and improve on weaknesses identified.

4.5.2 *Information security*

- (a) The Office of the Premier acknowledges the key risks of fraud in this area as the following:
 - Risk of leaking of confidential information relating to matters under investigation;
 - The system allows for manipulation of data without appropriate authorisation procedures. This risk is further exacerbated as fictitious users may be set-up on the system;
- (b) The OTP will ensure that employees are sensitised on a regular basis to the risks of fraud associated with poor management of information security in order to enhance their understanding thereof and the risks to Office of the Premier associated with poor control over confidential information.

- (c) Regular reviews of information and computer security will also be considered. Weaknesses identified during these reviews will be addressed with the respective managers.
- (d) Regular communiqués will be forwarded to employees pointing out the content of the IT Policy and procedures, with particular emphasis on Internet and e-mail usage and the implications (e.g. disciplinary action) of abusing these and other computer-related facilities. Where employees are found to have infringed on prevailing policy in this regard, disciplinary action will be taken.

B DETECTING AND REPORTING FRAUD

4.6 Internal audit

- 4.6.1 The internal audit function is centralised within Treasury and is performed by the Internal Audit Unit (IAU). However, the new organisational structure of the Office of the Premier provides for the establishment of an Internal Audit and Risk Management unit to work closely with the IAU. The primary function of the IAU is to assist the Office of the Premier in improving the efficiency and effectiveness of operations, risk management, control and governance. This is further intended to promote good corporate governance (including promoting ethical conduct and the prevention, detection and reporting of fraud) within the Office of the Premier.
- 4.6.2 The Integrity Management Unit should consider ways of communicating and promoting a better understanding by SMS members, of the role and responsibilities of the IMU and Risk Management Unit, which are as follows:

- Detection and investigation of fraud and corruption;

- Conducting fraud and corruption risk assessments and susceptibility assessments of high fraud and corruption risk areas; and
- Promoting integrity of employees within the Office of the Premier.
- Prevention of fraud, corruption and unethical behaviour.

4.6.3 The key risks identified in this area are the following:

- Resistance or failure by employees of the Office of the Premier to cooperate with the IMU and Risk Management Unit.
- Lack of procedures to dissuade employees from becoming victims of bribery and corruption and inadequate controls to identify instances and the affected employee/s when this does happen.

4.6.4 As indicated previously, the Office of the Premier will continue to regularly re-emphasise to all SMS Members that consistent compliance by employees with internal control is in itself one of the fundamental controls in place to prevent fraud. Program and responsibility managers will be encouraged to recognise that internal control shortcomings identified during the course of audits are, in many instances, purely symptoms and that they should strive to identify and address the causes of these internal control weaknesses, in addition to addressing the control weaknesses.

4.6.5 The need to comply with the Code and to act with honesty and integrity will be regularly emphasised and communicated to all employees.

4.7 Fraud Risk Assessment

4.7.1 The Office of the Premier has identified the following risks of fraud which require constant review and monitoring.

- Anti-fraud and corruption programmes may not effectively deal with unethical incidences and curb fraud and corruption.
- Undue performance bonuses and pay progression.
- Misappropriation, abuse and misallocation of assets.
- Unsuitable candidates may be employed.
- Theft, misuse and abuse of official vehicles.
- Abuse of emergency and urgent provision.
- Abuse and misuse of leave.
- Fraudulent BAS activities.
- Kickbacks paid to staff for preferential selection.
- Irregular PERSAL activities.
- Fraudulent S & T claims.
- Specific briefs designed for a particular service provider.
- Unauthorised access to systems.
- Abuse/excessive phone/3G/internet browsing.
- Theft of entity's information/intellectual property.

4.7.2 In order to mitigate risks listed in 4.7.1 above the department has developed a Fraud Risk Register (**Appendix C**) with action plans and action owners for each fraud risk. Fraud Prevention Controls and Detection Mechanisms will be developed that will include conducting of presentations to SMS Members and staff to ensure that they have a more detailed understanding of the arrears where fraud risks exist, thus enhancing the prospect of detecting irregularities sooner.

4.8 Fraud Detection and Reporting

4.8.1 The Office of the Premier recognises that in order to effectively prevent fraud, all fraudulent activities detected by employees and other stakeholders should be reported and investigated.

4.8.2 The office of the Premier supports the National Anti-Corruption Hotline of the Public Service Commission through the Integrity Management Unit (IMU) and encourages its employees to utilise this service to supply information relating to fraudulent activity. The Fraud Hotline is also an integral mechanism for the reporting of fraud in terms of the Fraud Policy.

4.8.3 All instances of fraudulent activity must be reported to the Head of Integrity Management Unit (IMU) who, depending on the gravity of the investigation should report to the director in charge of Forensic Investigations Unit.

4.8.4 Hence, Office of the Premier will ensure that the responsibility of responding to and investigating information secured through the Fraud Hotline and through any other medium, is clearly negotiated with Forensic Investigation Unit Management and that proper records are kept of all allegations relating to the Office of the Premier. This will assist the department in managing risks of fraud.

4.9 The Fraud Policy

4.9.1 We have the Fraud Policy (**Appendix D**) as a basis for the Office of the Premier. The Fraud Policy contains provisions for the reporting of allegations of fraud which include the following:

- Making a report to the employee's immediate supervisor;

- Where the person reporting the information wishes to make a report anonymously, such a report may be made to any member of management and/or the Head of Integrity Management Unit; National Anti-Corruption Hotline, and
- The SMS member who receives such a report must forward it to the Head of Integrity Management Unit, who will initiate an investigation in consultation with appropriate stakeholders within the Office of the Premier.

4.9.2 In order to facilitate the identification of additional risks and the consequent development of appropriate strategies to address these, the Office of the Premier will continue to ensure that the system it has established with the Forensic Investigation Unit is used to keep records of all allegations brought to its attention. This will be crucial in effectively addressing the risk of whistle blowers against victimisation by managers and fellow employees, in contravention of the Protected Disclosures Act.

4.10 The Whistleblowing Policy

4.10.1 In order to further limit the risk of employees being victimised for whistle blowing, in contravention of the Protected Disclosures Act, the Office of the Premier has developed a Whistle Blowing Policy (**Appendix E**).

4.10.2 The Whistle Blowing Policy is based on the Protective Disclosures Act, which guarantees protection to employees against victimisation following disclosure of fraudulent activity by employees, and is intended to encourage and enable employees to raise serious concerns without fear of victimisation.

4.10.3 The Whistle Blowing Policy, which is attached as an appendix to this Plan, will be circulated to all employees within Office of the Premier.

C. INVESTIGATING FRAUD

- Preliminary investigations for all allegations of fraud will be conducted internally by IMU to verify the bases of allegations for a full scale investigation.
- The preliminary investigation will include the analysis of the Acts and policies, interview with the complainant, seizing of documents etc.
- Allegations that require full scale investigations will be referred to the Forensic Investigation Unit for full investigation, should IMU lack capacity to conduct such investigation.

D. RESPONSE

- Reports on finalised investigations will be submitted to the Acting Director General for the commissioning of the implementation of the recommendations.
- The Acting Director General shall be responsible for referring cases to SAPS as required by PRECCA.
- All recommendations for disciplinary will be referred to Labour Relations Unit for implementation.

4.11 Creating awareness

- 4.11.1 This component of the Plan comprises two approaches, namely education and communication. The strategic weaknesses identified in this area are the following:

- Lack of a formalised strategy to create awareness amongst employees of the manifestations of fraud and the risks of fraud facing the Office of the Premier; and
- Lack of knowledge of approaches to prevent and detect fraud in specific processes and transactions.

4.11.2. Education

4.11.2.1. The Office of the Premier will ensure that regular presentations and formal training are carried out for employees to enhance their understanding of the manifestations of fraud, prevention and detection techniques and the components of the Plan, in general. These presentations and training will include ongoing formal lectures to SMS Members in all functional disciplines on the job or through the Provincial Training Academy.

4.11.3 Communication

4.11.4.1. Communication is crucial in creating awareness of the Plan amongst employees and other stakeholders. This is intended to facilitate a culture where all stakeholders strive to make the Plan a success and to sustain a positive, ethical culture within the Office of the Premier. This will increase the prospect of fraud being reported and improve the Office of the Premier's prevention and detection ability.

4.11.4.2. The OTP will consider various means of communicating its fraud prevention initiatives, including the following:

- (a) Conducting workshops and creating awareness of the Plan;
- (b) Developing a poster campaign aimed at all stakeholders to popularise the

Office of the Premier's stance against fraud and also its expectations with regard to the ethics and integrity of all stakeholders;

- (c) Circulating appropriate sections of the Code to other stakeholders, e.g. consultants and contractors;
- (d) Publicising "lessons learned" out of investigations into allegations of fraud amongst employees;
- (e) Circulating successes related to the Plan and fraud *modus operandi*;
- (f) Printing the stance of the Office of the Premier to fraud on pay slips;
- (g) Placing notices or other communiqués related to the Plan in strategic areas to which employees and the public have access;
- (h) Placing communiqués in government vehicles, e.g. relating to the abuse of vehicles;
- (i) Giving copies of the Code to suppliers of goods and services;
- (j) Developing a fraud prevention suggestion box where all employees could make suggestions on how to prevent fraud and corruption and further improve the Plan; and
- (k) Developing a communication Plan or components thereof, e.g.:
 - Pamphlets;
 - Posters; and
 - Motor vehicle licence stickers.
 - Use of multi-media
- (l) Using the provincial newspaper (Simama and available radio slots) to communicate issues relating to the prevention and detection of fraud, including matters reported and action taken.

4.12 Maintenance and Review

4.12.1 In order to ensure ongoing development and implementation of the Plan IMU shall be responsible for the continuous monitoring and review of the Plan.

4.12.2 The continuous monitoring and review of the Plan will include:

- a) Evaluating reports of fraud and highlight areas of fraud risk within the Office of the Premier;
- b) Considering fraud threats to the Office of the Premier and addressing these;
- c) Reviewing and making appropriate amendments to the Plan; and
- d) Ensuring that continuous implementation strategies are developed and carried out.

4.12.3 The Plan will be reviewed on an annual basis, whilst progress with the implementation of the various components will be reviewed on a quarterly basis. With regard to the latter, specific priorities stemming from the Plan, actions to be taken, responsible persons and feedback dates relating to progress made will also be set. The Fraud Prevention Implementation Plan (**Appendix F**) has been developed to facilitate this.

4.13 Approval of the Plan



Ms P D Khumalo
Acting Director-General of the Province of KZN

29/03/2017
Date

**EXPLANATORY
MANUAL ON THE
CODE OF CONDUCT
FOR THE PUBLIC
SERVICE**

**A PRACTICAL GUIDE TO
ETHICAL DILEMMAS
IN THE
WORKPLACE**

Issued by: Public Service
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0001



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VALUES AND PRINCIPLES

THE TOP TEN FOR PUBLIC SERVICE IN SOUTH AFRICA

The Constitution of South Africa (Chapter 10) requires that the Public Service be . . .

- Governed by the **democratic** values and principles of the Constitution;
- maintaining and promoting a high standard of professional **ethics**;
- promoting efficient, economic and effective use of **resources**;
- orientated towards **development**;
- delivering **services** impartially, fairly, equitably and without bias;
- responding to people's needs and encouraging **public participation** in policy matters;
- **accountable** for its actions;
- **transparent** by providing the public with timely, accessible and accurate information;
- cultivating good human resource management and career development practices to maximize **human potential**;
- broadly **representative** of the South African people, with employment and personnel management practices based on ability, objectivity, fairness, and the need to redress the imbalances of the past.

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1. FOREWORD

The Public Service Commission is mandated in terms of the Constitution, 1996, to promote and maintain a high standard of professional ethics throughout the Public Service. In 1997 the Code of Conduct for the Public Service was promulgated and was subsequently promoted through workshops with officials at both national and provincial level. It was also necessary to develop a practical guide on the Code of Conduct to generate a better understanding of its implications and application.

On behalf of the Public Service Commission, I am honoured to present to all the officials employed in the Public Service of South Africa this Explanatory Manual on the Code of Conduct for the Public Service. The Code of Conduct is an important pillar in the establishment of good governance and ethical conduct of public servants. It also raises such issues as respect for human rights, the rule of law, accountability, transparency in government, personal conduct and private interests.

The Public Service Commission appeals to all public servants, from the most junior to the most senior, to demonstrate a practical understanding of procedures, directions and instructions contained in the Code of Conduct. This is not only possible but mandatory if effective service delivery is to reach our citizens. It is crucial also that officials should as a rule reject, resist and refuse offers and gifts as these may be construed as bribes.

We wish to commend all managers and officials who are engaged in promoting the Code of Conduct for the Public Service. I urge you to keep up the good work and never give

2. ACKNOWLEDGEMENTS

The process of developing this Explanatory Manual on the Code of Conduct for the Public Service could hardly have taken place without the dedication and support of a number of individuals and organizations who deserve special mention and recognition:

- National and Provincial departments have supported the development of the Explanatory Manual and subsequently provided valuable inputs for further improvements;
- The Office of the Public Protector contributed to the development of this document with critical inputs;
- Employee organizations and labour unions took part in numerous meetings and workshops and made valuable suggestions;
- The Staff of the Office of the Public Service Commission assisted in the process of researching and drafting the final document;
- Finally, we are grateful to the British Department for International Development for funding the printing of this Explanatory Manual on the Code of Conduct for the Public Service.

3. EXPLANATORY MANUAL ON THE CODE OF CONDUCT FOR THE PUBLIC SERVICE

3.1 INTRODUCTION

3.1.1. The purpose of this manual is to explain the contents of the Code of Conduct more fully. The phrasing of the official Code required brevity, precision and official terminology. This manual is aimed at making the Code more understandable to all public servants.

3.1.2. The manual does not introduce any new principles and follows the same structure and numbering of the principles as in the Code, to allow for easy comparison. When using this manual, departments should try to add examples of their own, related to their particular environment.

3.1.3. It should be emphasised that the development of this manual is a dynamic process and that it may require revision from time to time, like the Code itself.

3.2 TRAINING

3.2.1. In order to promote a high standard of professional ethics in the workplace, public servants should be encouraged to think and behave ethically. This manual should therefore serve as an aid in developing and presenting short training

courses for all employees. This manual also contains many examples which illustrate ethical complexities in the work environment, which may serve as a basis for training and case studies.

- 3.2.2. As a companion to the Code, this manual can assist in maintaining public confidence in the integrity and impartiality of the **Public Service** by providing minimum expectations about acceptable behaviour and benchmarks for ethical practices.

3.3 RESPONSIBILITY OF THE EMPLOYER AND EMPLOYEES

- 3.3.1. It is an accepted fact that human beings learn by observation and experience. A special responsibility is therefore placed on the employer, namely the executing authorities (Ministers and MEC's) at the political level, and **Public Service** managers at all levels, to create an appropriate environment in which values are established and exemplary models are set for all employees.
- 3.3.2. Section 195(1) (a) of the Constitution requires that "a high standard of professional ethics must be promoted and maintained" in public administration generally. In terms of the collective agreement (Public Service Co-ordinating Bargaining Council Resolution 2 of 1999)

all the employees in the Public Service have the responsibility to comply with the prescribed Code of Conduct. As this forms the main basis on which pro-active, corrective and even disciplinary action rests, the employer must do everything possible to ensure that the contents of the Code of Conduct are known to all employees.

- 3.3.3. It is important to reiterate that the primary purpose of the Code is a positive one, namely to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct in terms of the abovementioned Act, and may be dealt with in accordance with sections 18 to 27 as amended in the Public Service Laws Amendment Bill of 1997, if he or she contravenes any provision of the Code of Conduct.

4. GUIDELINES ON THE PROVISIONS OF THE CODE

4.1 RELATIONSHIP WITH THE LEGISLATURE AND THE EXECUTIVE

- 4.1.1 An employee is faithful to the Republic and honours the Constitution and abides thereby in the execution of his or her daily tasks.**

Reference to "the Republic" should in general terms be interpreted as reference to "the country" — being South

Africa. It is a fundamental requirement that all civil servants shall be faithful and loyal to their country.

The Constitution deals with specific aspects related to the rights and interests of all citizens. This stipulation of the Code in the first instance requires loyalty of public servants to the existing democratic order. Secondly, the supremacy of the Constitution must be accepted and honoured by all. Thirdly, every public servant should have a reasonable understanding of the contents and purpose of the Constitution as a mechanism to maintain and regulate the existing order.

Example 1: Public servants at different levels are involved to a greater or lesser extent in making proposals regarding policy. Any such proposals must be carefully checked to ensure that they will not be in conflict with the spirit and/or specific stipulations of the Constitution. Constitutional principles such as public participation and transparency in service delivery must also be pursued as far as possible in the process of establishing policy.

Example 2: Section 33(2) of the Constitution provides that everyone whose rights have been adversely affected by administrative actions has the right to be given written reasons. This means that, to abide by the Constitution, every public servant should ensure that administrative decisions and actions are based on sound reasons, so that such reasons can be provided to anyone affected. Generally speaking, this means that all administrative actions must be able to stand the test of transparency.

4.1.2 An employee puts the public interest first in the execution of his or her duties.

This stipulation means that where decisions have to be made or discretion has to be exercised, due consideration should be given to putting the interests of the public first. The public servant's own interests or any other sectarian interest must always be placed subordinate to the public interest.

Example 1: An artisan working at a hospital is bound by his or her service contract to work from 8:00 to 16:30. No standing arrangement exists with regard to paid overtime. A thunderstorm has knocked out the main power supply to the hospital and the operating theatres are functioning on generator power. The generator is also giving problems and the artisan is instructed to do emergency maintenance on the generator at 16:00. It would be expected of the artisan to conclude the maintenance work even if it means having to work later than his or her contractual working hours.

Example 2: The majority of staff working at a regional office indicate their desire to take their annual leave during December. If the leave was granted, this would mean that the office would not be able to render proper services to the community. A compromise will have to be reached between management and the relevant employees, entailing that some of the officials will remain on duty to ensure continued service rendering.

4.1.3 An employee loyally executes the policies of the Government of the day in the performance of his or her official duties as contained in all statutory and other prescripts.

The Bill of Rights in the Constitution, *inter alia*, protects each citizen's political rights, which includes the right to associate with and belong to the political party of his or her choice.

The election process will result in the political party drawing the majority vote taking office. This might mean that a specific public servant's personal preferences might not be reflected in the outcome of an election. It could also mean that the priorities, programme of action and policies adopted by the Government of the day may differ from the personal priorities of individual public servants. Public Service employees are nevertheless required to serve the elected Government of the day in a dedicated, skillful and faithful manner in executing such policies.

Example 1: A public servant personally believes that primary health care should be the highest policy priority in the country and also supports a political party which shares this view. The Government of the day, however, adopts as its policy priorities the provision of housing and the combating of crime. The employee will be expected to accept the Government's prioritisation. This does not, however, mean suppressing ideas or creativity.

Example 2: If the Government of the day is considering implementing a particular scheme and it is an employee's responsibility to advise how this scheme can best be implemented, the employee, despite possibly disagreeing with the scheme, is required to set aside his or her personal feelings and to objectively decide, by looking only at the various available options and the advantages and disadvantages of each option, on the best approach for the communities involved.

4.1.4 An employee strives to be familiar with and abides by all statutory and other instructions applicable to his or her conduct and duties.

In order to faithfully and efficiently serve the Government of the day, as well as the public, employees are required to know their job content, the policies in accordance with which their jobs have to be done and the procedures to be followed.

Supervisors are responsible for ensuring that employees are familiar with their job content. Employees are equally responsible for making an effort to become knowledgeable workers, able to perform efficiently and in accordance with the prescribed policies and procedures applicable in their work environment; in the best interests of the public and the communities they serve.

Example 1: Not being familiar with the Public Service financial prescripts, an official approves the purchasing of equipment without obtaining the required Treasury approval. Such an action would mean unauthorised expenditure and could give rise to costly and wasteful legal action and claims for damages.

Example 2: As a result of his or her own lack of knowledge, an employee misinforms someone applying for an old age pension about the qualifying requirements, the process to follow in applying, or the amount for which he or she will qualify. This could have serious consequences for that member of the community.

4.1.5 An employee co-operates with public institutions established under legislation and the Constitution in promoting the public interest.

A number of institutions have been created under the Constitution (Public Protector, Auditor-General, Public

Service Commission, Commission for Gender Equality, etc.) and other institutions have been created by legislation (tender boards, commissions of enquiry, etc). These institutions serve as checks and balances to ensure sound administration. Public servants should therefore not regard these institutions negatively, but should assist them to perform their roles by, for example, providing any information and explanations they might require.

Example 1: If the Office of the Public Protector is requested to investigate a complaint by a member of the public against any Government department, it would expect the co-operation of employees in that department in providing whatever information is required.

Example 2: If the Auditor-General finds irregularities in the financial administration of a department, the relevant departmental officials should not regard the findings negatively. They should understand and appreciate the Auditor-General's role and co-operate fully with the Auditor-General's Office to clear up the problems.

4.2 RELATIONSHIP WITH THE PUBLIC

4.2.1 An employee promotes the unity and well-being of the South African nation in performing his or her official duties.

The preamble to the Constitution states that the adoption of the Constitution is intended to —

- heal the divisions of the past and establish a society based on democratic values, social justice and fundamental human rights;

- lay the foundations of a democratic and open society in which Government is based on the will of the people and every citizen is equally protected by law;
- improve the quality of life of all citizens and free the potential of each person; and
- build a united and democratic South Africa able to take its rightful place as a sovereign state in the family of nations.

In order to realise and maintain the high ideals set by the Constitution, purposeful and determined efforts are required from all citizens. Public servants are inevitably seen to be part of "Government", so this is even more important in their case.

Example 1: A good team spirit, good interpersonal relationships and a generally pleasant, helpful and professional atmosphere amongst a group of employees from different population groups who are working directly with the public, will set an example for the community at large. A good example would be in an office where identity documents or passports are issued.

Example 2: An employee should try to enrol for a course to learn one of the other official languages used in the area. He or she should also encourage interpretation into other official languages at meetings where this is required.

4.2.2 An employee will serve the public in an unbiased and impartial manner in order to create confidence in the Public Service.

The Public Service serves the total community, and the public expects to be treated equally, efficiently, professionally and in a friendly manner. Employees are

therefore required to live up to this expectation by treating those with whom they work and those they serve equally, in a manner that will not only create trust in the Public Service, but will also establish an appreciation for the quality and efficiency of services rendered.

Example 1: An employee occupies a position in a department where applications from the public for certain services are considered. The employee's neighbour is aware of the fact that he or she can influence the process and approaches him or her with the request to assist in speeding up an application. The employee will have to consider this situation very carefully, as any action taken to assist the neighbour could be seen to favour the neighbour over other applicants.

Example 2: An employee should request his or her clients/consumers to stand in a queue, so that each will be attended to when his or her turn comes, without favouring anyone or being perceived to be doing so.

4.2.3 An employee is polite, helpful and reasonably accessible in his or her dealings with the public, at all times treating members of the public as customers who are entitled to receive high standards of service.

It is important for employees to realise that, by joining the Public Service, they have committed themselves to serving the community at large.

The public expects to be served, and requires employees to be available and to help them in a friendly and efficient manner.

Example 1: An employee receives a telephone call from a member of the public but it is clear that the person's enquiry should be dealt with by another section or department. The employee simply tells the person that he or she must try elsewhere. This could have the result that the member of the public is referred to a number of different people without being assisted. This is not being helpful and it creates a negative image of the Public Service. The employee should offer to find out who the right person or department is and to phone the person back.

Example 2: When providing a counter service a specific employee has no one queuing at his or her counter while a colleague has people waiting to be served. The employee should help his or her colleague and the public by calling the people to his or her own counter, provided of course that he or she has thorough knowledge of the work content of the relevant service.

Example 3: If a member of the public approaches an official for an appointment, for instance to obtain information on the qualifying requirements to be eligible for State housing, the official must try and accommodate the person in his or her schedule as soon as possible. This will not only demonstrate accessibility, but also a willingness to be of service.

4.2.4 An employee has regard for the circumstances and concerns of the public in performing his or her official duties and in the making of decisions affecting them.

Although the needs and/or concerns of members of the public might, in the eyes of employees, not seem to be as serious as the members of the public think, employees must

calmly and efficiently provide help, information or even guidance to bring about solutions to their problems.

Concerns expressed by individuals or groups must be taken into account. Following a consultative and transparent process in these issues can contribute considerably to accommodating the circumstances and concerns of the public.

Example 1: A primary health care clinic is being planned for a rural community but there is also the alternative of providing a mobile unit. The community should be consulted to determine their preference. This would ensure a sound decision and also involve the community at an early stage.

Example 2: A public servant is responsible for processing applications for housing subsidies for members of a disadvantaged community living in a squatter camp. If the applications are not dealt with quickly and efficiently, it could mean that a whole housing project is delayed and that people have to live under poor conditions for longer than would have been necessary if a speedier service had been provided.

4.2.5 An employee is committed through timely service to the development and upliftment of all South Africans.

The Government of the day has clearly stated its intention to focus on the upliftment of communities which had been disadvantaged in the past, as set out in its Reconstruction and Development Programme. This has to be carried out by all departments through their line functions.

South Africa is a developing country and a large part of its population is, for various reasons, uninformed about their rights and obligations, the services they are entitled to, the procedures to follow and whom to approach in this regard. Since the Public Service is in the service of all its people, employees owe it to those members of the public who are uninformed, to provide them with all the information, guidance and help they might require. This should be done kindly and efficiently, even if it only means referring them in a friendly manner to another institution or another building.

Example 1: Employees must take part in the development or upliftment programmes made available by their departments. They must be dedicated to their tasks and ensure that such programmes are executed in the most effective and efficient manner and within the time-frames which have been set.

Example 2: When dealing with members of the public in a health care situation, employees should use the opportunity to provide a total advisory service if they suspect that their knowledge of preventative primary health care is inadequate. Where employees cannot provide all the necessary assistance themselves, they should at least refer the individual to the right colleagues to be properly counselled or guided.

4.2.6 An employee does not unfairly discriminate against any member of the public on account of race, gender, ethnic or social origin, colour, sexual orientation, age, disability, religion, political persuasion, conscience, belief, culture or language.

As has already been stated, the Public Service serves all individuals and communities, irrespective of who they are in South Africa. Each member of the public has the constitutional right to be treated with dignity. Employees are therefore required to treat all members of the public equally, with friendliness and efficiency, making them feel that they are receiving the kind of service that they are entitled to.

Example 1: An employee may suspect that a member of the public requiring to be served is, for instance, gay. Even though this might be totally unacceptable from the employee's personal point of view, he or she is nevertheless expected to provide the same level of professional service that would be rendered to any other member of the public.

Example 2: A number of people are waiting in a queue and an influential member of the community comes in and expects to be served immediately. If the employee providing the service allows the person to jump the queue, it means that he or she is discriminating against the other people waiting to be served.

4.2.7 An employee does not abuse his or her position in the Public Service to promote or prejudice the interest of any political party or interest group.

Since the Public Service serves the entire community, which consists of various interest groups, political parties and people with different beliefs, etc., it follows that Public Service employees must not be involved in any matters which could be seen as favouring one group over another.

As far as the Public Service is concerned, all its clients must be served equally in accordance with the policies of the

Example 1: If employees providing a counter service are approached by a member of the public who is highly intoxicated and noisy, they should treat the person in the same way as they would treat others, by calmly and correctly assisting him or her. It is important to remember that the public will be observing the situation carefully and that employees can improve the image of the Public Service by handling it in a professional manner. If the situation does get out of hand and employees find it difficult to manage, they should not react emotionally, but should simply take the person to their supervisor, who can deal with him or her in private.

Example 2: People are driven by financial need to apply for welfare benefits. Officials responsible for assisting them with the necessary application forms must be sensitive towards their circumstances and serve them with the necessary empathy.

4.2.9 An employee recognises the public's right of access to information, excluding information that is specifically protected by law.

The Constitution provides for two dimensions in respect of access to information. The first is the promotion of transparency, which will allow every citizen reasonable access to all information that is in the public interest. This will allow them to participate actively in establishing the kind of policies that they would like to see implemented. Secondly, the provisions also intend to enable citizens to protect certain of their basic rights as provided for in the Bill of Rights. They can request written reasons for any administrative action that might adversely affect them. Furthermore, they may also request any information for the exercise of protecting their rights.

As every public servant is aware, the determination of which information is of public interest is a complex issue. Certain information is regarded as protected information to be managed by departments in terms of the Guidelines on Minimum Information Security Standards as issued by the National Intelligence Agency. The Open Democracy Bill also intends to establish a suitable framework within which the matter will have to be managed by departments. This is further complicated by the fact that the Labour Relations Act of 1995 also provides for specific mechanisms to afford public servants access to information held by the State as employer in order to protect certain labour rights of employees.

The crux of the matter can be summarised as follows:

- Employees must at all times *recognise* the right of the public to have access to information.
- Every department must establish appropriate policy which is in line with relevant national legislation to regulate this matter within their respective organisations.
- Employees must be aware of statutes and policy regulating this matter within their departments.
- The reasons for and process followed which resulted in an administrative action must be properly recorded in order that the information will be available if requested.
- If information requested by a member of the public cannot be made available, acceptable reasons for such a decision must be provided to that member of the public.

Example 1: Providing the public with timely information is of crucial importance. Should a member of the public who has requested information on the availability of bursaries only be

provided with such information after the closing date for registration for a specific academic year, the purpose of providing such information will have been defeated.

Example 2: Accessibility of information also implies that information must be maintained and updated regularly. Should a member of Parliament request certain information for a pending debate in Parliament, the inability of a department to provide accurate and up to date information on time could harm the democratic process.

Example 3: Making available information which is not accurate can also be very problematic. Members of the public may, for example, enquire about the implementation of a new scheme for which some of the details have not yet been approved by the applicable authority. An employee who does not know this, but is aware of the preliminary details of the scheme might provide the public with unofficial information. The Public Service could be embarrassed if changes are made to the scheme and it is eventually implemented in a different manner to what the public expected.

4.3 RELATIONSHIPS AMONG EMPLOYEES

4.3.1 An employee co-operates fully with other employees to advance the public interest.

It is important that all employees realise that they work towards a common goal, namely to serve the Government of the day and the community/public as efficiently and as faithfully possible. Employees must therefore make a special effort to co-operate with one another. By helping and supporting one another and by sharing knowledge, ideas and even resources (where appropriate), employees will be

enabled to function more efficiently and in the best interest of the Government and the community.

Example 1: It is important to be aware of the overall mission or goal of the Public Service and to understand that each small part effectively played, contributes to bringing about the common good. An employee should therefore be receptive to ideas and suggestions by colleagues from other components. There is no room for jealousy or the "get off my territory" syndrome in the Public Service.

Example 2: If an employee realises that a particular public need can be effectively met only if his or her office co-operates with another office, the employee should go out of his or her way to enquire about such co-operation, even if the officials working in the other office are not co-operative at first.

Example 3: An official is approached by another department to serve on a selection panel. The employee must render assistance as requested if at all possible. He or she must, however, take into consideration the work demands in his or her own department and obtain approval from his or her supervisor.

4.3.2 An employee executes all reasonable instructions by persons officially assigned to give them, provided these are not contrary to the provisions of the Constitution and/or any other law.

It is important that employees should carry out all reasonable instructions, in order to ensure that services are rendered to the community in a well-structured and orderly manner. Large organisations such as Public Service

departments can only function effectively if there are proper lines of authority which are respected by subordinates. If all legal instructions are carried out timeously and efficiently the organisation as a whole will function well.

Example 1: An employee receives an instruction from an administrative or political superior to do something that is not allowed by the prescripts that govern the Public Service. The employee must know what the rules are and in such a case must point out the illegality of the proposed action to his or her superior. If the latter still persists, the employee must request the instruction in writing, note his or her objection and report the matter to an appropriate authority.

Example 2: If an employee is instructed by a superior to place an order for the purchase of equipment where the proper tender procedures have not been followed, the employee may ask that the matter be referred to the accounting officer for a decision.

4.3.3 An employee refrains from favouring relatives and friends in work-related activities and never abuses his or her authority or influences another employee, nor is influenced to abuse his or her authority.

The Public Service is required to appoint, promote and reward personnel who, irrespective of their political opinion or affiliation, family ties or position in the community, have the abilities to render a service. The following practices are unacceptable:

- (a) Favouritism — this means that certain singled out employees are appointed, promoted, transferred, or given generous treatment based on subjective

considerations such as friendship, returning a favour, etc.

- (b) Nepotism — this implies that an employee is appointed, promoted, transferred, or given some or other advantage purely based on the fact that he or she has family or other ties with the person in a position to authorise such actions or to manipulate/influence the system.

Example 1: Two employees (A and B) join the staff of the Public Service. They are given the same rank, are good friends and share the same office. Employee B is promoted to become Mr A's supervisor. Consequently, he is in a position to assign "special" tasks to Mr A, so that he will be able to show more noteworthy incidents for his merit rating than his colleagues. When the time comes for Mr A's merit assessment, which is presented by Mr B with enthusiasm and favouritism, he receives a merit award, although he does not necessarily deserve it.

Example 2: An employee participates in the process of selecting a person for appointment to a post in the Public Service. The employee gives preference to a person because he or she is a friend, a member of the political party to which the employee belongs or a member of a particular ethnic group. This is nepotism, which is contrary to the intent of the Constitution and the interests of the State.

Example 3: There are many ways in which an employee in a senior position can abuse his or her position. For example, the employees controlling entry into the parking area have clear instructions that the parking space is only for senior officials and official visitors. However, the head of the office overrides these instructions and allows his or her spouse to

park in the facility from time to time. Such an action causes employees to lose respect for rules and for senior officials and is detrimental to the efficient functioning of the organisation.

4.3.4 An employee uses the appropriate channels to air his or her grievances or to direct representations.

Although it is accepted that grievances and disputes may, from time to time, develop within the Public Service work environment, it is to the benefit of both the aggrieved and the employer (and the public) that such grievances and disputes be resolved between the parties concerned as soon as possible. It is for this very reason that specific grievance and dispute resolution procedures are made available to be utilised by all employees. Whenever a grievance or dispute may develop it is, however, important to keep the following in mind:

- (a) A grievance or dispute can only be resolved effectively if the parties to the grievance/dispute actively and personally engage in discussion/conciliation.
- (b) In the case of any grievance/dispute an employee may utilise the following channels:
 - (i) The grievance procedure (refer to section 35 of the Public Service Act, 1994 read with Rules for dealing with complaints and grievances of officials in the Public Service, Regulation no. 6575, dated 1 July 1999) in terms of which any employee may bring a grievance/dispute to the attention of the immediate

supervisor who must refer it to higher levels of authority if the supervisor cannot succeed in resolving the grievance/dispute.

Example 1: A supervisor negatively reports on an employee's performance during personnel assessment without giving the person proper opportunity to state his or her side of the case. This is contrary to generally applicable labour relations principles. The Public Service supervisor must realise that the Public Service must set an example regarding compliance with the letter and spirit of the laws of the land, and always ensure that he/she acts in a fair and just manner.

- (ii) The conciliation board procedure (in accordance with Item 15(l) of Schedule 7 of the Labour Relations Act, 1995) in terms of which any employee may bring the dispute (an unfair labour practice) to the attention of the Head of Department who must establish a conciliation board and refer the dispute to this board if the Head of Department does not succeed in resolving the dispute.

Example 2: A messenger who is unhappy about the fact that he or she is apparently being discharged unfairly, may bring the matter to the attention of the Head of Department, who should look into the matter and see to it that the dispute is resolved. If the Head of Department does not succeed in resolving the dispute within 20 days, the aggrieved messenger may request the Head of Department to establish a conciliation board within 10 days, which should then attempt to resolve the dispute. If the conciliation board

fails to resolve the dispute, the aggrieved messenger may then approach the Labour Court for relief.

- (iii) Where a grievance/dispute is related to maladministration and prejudicial actions by the State as employer, the grievance/dispute may also be referred to the Public Protector.

Example 3: A messenger who becomes aware of questionable practices applied in his or her working environment, may bring this to the attention of his or her supervisor or the Head of Department. If not satisfied with the response of either the supervisor or the Head of Department, the aggrieved messenger may refer the matter to the Public Protector. Under certain circumstances, the messenger may prefer to approach the Public Protector directly.

4.3.5 An employee is committed to the optimal development, motivation and utilisation of his or her staff and the promotion of sound labour and interpersonal relations.

In order to achieve the overall objective of the Public Service, which is to render excellent services to the public, all Supervisors/Managers in the Public Service are obliged to see that the personnel under their control have the knowledge and skills to perform their tasks at the required level, are motivated to render such services and are willing and able to promote sound relations. In striving to achieve this, a supervisor should keep the following in mind:

- (a) Development of personnel implies that an employee in a supervisory/managerial capacity should —
- (i) understand what the development of personnel entails;
 - (ii) continually assess the developmental needs of personnel;
 - (iii) introduce a developmental plan;
 - (iv) see to it that the plan is followed; and
 - (iv) constantly monitor the progress of such a plan.

Example 1: A supervisor must, in consultation with a newly appointed employee, identify his or her in-service training needs. The identified training needs should then be taken up in a training programme which is in line with his or her duty sheets and procedure manuals. A training schedule should also be compiled so as to map the development progress of the newly appointed employee.

- (b) Motivation of staff implies that an employee in a supervisory/managerial capacity should —
- (i) understand what the motivation of personnel entails;
 - (ii) assess the level of motivation of personnel;
 - (iii) introduce measures to enhance the level of motivation of personnel if necessary; and
 - (iv) constantly monitor the level of motivation of personnel.

- (c) Utilisation of staff implies that an employee in a supervisory/managerial capacity should —
- (i) understand what the utilisation of personnel entails;
 - (ii) assess the extent to which personnel are utilised;
 - (iii) introduce measures to provide for the optimal utilisation of personnel; and
 - (iv) constantly monitor the utilisation of personnel.

Example 2: Supervisors/Managers should constantly monitor the workload and level of functioning of their personnel in order to ensure that all personnel are utilised optimally. This will avoid a situation where some employees have too much work while others have too little to do. Personnel should also be encouraged to acquaint themselves with tasks which are not normally part of their duties as well as more advanced duties, so that they can grow as workers to be ready for possible utilisation at higher levels when the time comes.

- (d) The promotion of sound labour and interpersonal relations implies that an employee in a supervisory/managerial capacity should —
- (i) understand what sound labour and interpersonal relations entail;
 - (ii) assess the soundness of labour and interpersonal relations among personnel;
 - (iii) introduce measures, if necessary, to improve labour and interpersonal relations; and

- (iv) constantly monitor the soundness of labour and interpersonal relations among personnel.

Example 3: Supervisors/Managers should monitor the team spirit in their components and immediately intervene if their personnel seem to be negative or constantly arguing with one another.

4.3.6 An employee deals fairly, professionally and equitably with other employees, irrespective of race, gender, ethnic or social origin, colour, sexual orientation, age, disability, religion, political persuasion, conscience, belief, culture or language.

The Constitution, employment and labour legislation, as well as Common Law, provide employees in the Public Service with a fundamental right to be treated fairly and equitably. If that right is affected in any way, employees may utilise the dispute resolution mechanisms provided for in the Public Service Act, 1994, Public Service Regulations and the Labour Relations Act, 1995, or may approach either the Constitutional Court, the Supreme Court or the Public Protector for relief, depending on the circumstances. It is therefore important that Supervisors/Managers in the Public Service should know what fair and equitable treatment means.

- (a) To deal fairly with other employees implies that an employee should —
 - (i) always respect the established rights (in terms of Common Law, the Constitution,

- Labour Law and any other law that may apply) of other employees;
- (ii) always grant other employees the opportunity to state their side of a case;
 - (iii) always allow other employees representation if requested; and
 - (v) always be willing to discuss/consult/negotiate openly.

Example 1: When an employee is, for instance, charged with misconduct, he or she should be treated procedurally, as well as substantively fairly.

Procedural fairness implies that a specific disciplinary procedure should be followed whereby an employee should —

- be informed timeously about any charge against him or her;
- be granted the opportunity to state his or her case in a hearing;
- have the right to be represented;
- have access to all relevant information;
- have the right to cross question witnesses; and
- have the right to appeal.

Substantive fairness implies that all the facts on the table should be taken into consideration as objectively as possible before a decision is made.

(b) To deal professionally with other employees implies that an employee should —

- (i) have sufficient knowledge about the subject;
- (ii) respond quickly to instructions/requests;

- (iii) apply his or her mind fully to the relevant issues;
 - (iv) participate actively in a teamwork situation in order to deliver services/solve problems;
 - (v) respect the rights of other employees; and
 - (vi) also consider the interests of others involved.
- (c) To deal equitably with other employees implies that an employee should —
- (i) not unfairly discriminate directly or indirectly against other employees on any grounds;
 - (ii) treat other employees as equals at all times; and
 - (iii) be totally objective and apply the same criteria in taking decisions that affect others.

Example 2: A supervisor gives time-off to members of his or her own religious group but refuses to grant time off to members of other religious groups. This is discriminatory. All religious groups should be treated in the same way.

4.3.7 An employee refrains from party political activities in the workplace.

In terms of the Constitution, the Public Service has to be apolitical in the service it renders to the community. This means that Public Service employees are required to render services to all the citizens of the country and may not be selective. The Public Service and its employees stand in the service of the country as a whole and may not, in their

functioning, advance the interests of any particular political party.

Example 1: A person who wears a T-shirt with party political slogans while rendering direct services to the public in issuing identity documents may be accused of politically motivated discriminatory practices if he or she is unable to provide an identity document within a specific time, even if the reason for the delay is beyond his or her control. Furthermore, a member of the public might be offended by being served by someone promoting a specific political party in a public institution.

Example 2: An employee who allows members of certain political parties access to information to which the public is entitled, but denies members of another political party access to the same information, has failed to render services to all the people of South Africa, irrespective of political affiliation.

4.4 PERFORMANCE OF DUTIES

4.4.1 An employee strives to achieve the objectives of his or her institution cost-effectively and in the public's interest.

In their day-to-day functioning, employees should continually ask themselves whether what they are doing really contributes to delivering the services or results for which their organisational component is responsible. This, of course, requires all employees to have a thorough knowledge of the goals and objectives of their components and the institution and, importantly, also their specific duties within the component.

Supervisors/Managers at all levels should also continually ask themselves whether the functions their components are performing really contribute to delivering the services for which their institution is responsible.

Both employees and Supervisors/Managers should also guard against duplicating work that should actually be performed by another institution.

Example 1: An employee plays computer games on an office computer during working hours. This undermines the spirit of dedication and steals time (and therefore money) from the employer. If a person does not have enough work to do he or she must tell his or her supervisor so that he or she can be used more effectively in achieving the organisation's goals.

Example 2: A budget programme manager or responsibility manager must be careful to use the public funds entrusted to him or her to achieve the objective of the programme. This requires proper planning and the avoidance of *ad hoc* or spur of the moment decisions.

4.4.2 An employee is creative in thought and in the execution of his or her duties, seeks innovative ways to solve problems and enhances effectiveness and efficiency within the context of the law.

Employees should be fully involved in performing their duties. They should apply their minds constantly and seek to do their work quicker and better in order to deliver better results and or services. During the course of a normal workday, numerous problems occur in the work situation. Employees should continually seek to overcome these

problems in the quickest and best possible manner and should also seek in a creative and imaginative manner to prevent the problems from occurring again.

Example 1: If an employee working in a component that has to issue certificates becomes aware that the public is dissatisfied with the procedures followed and the time it takes to issue the certificates, he or she should consider ways in which the service could be rendered more quickly and efficiently, and advise his or her supervisor accordingly.

Example 2: If an employee who works in an office that serves the public notices that people are having difficulty finding parking or have to stand in queues for a long time, he or she should think of ways of solving the problem. The service point could possibly be moved to a place which is more convenient and accessible for the public, or more than one service point could be created.

4.4.3 An employee is punctual in the execution of his or her duties.

Employees should realise that their official responsibilities are very important and that the carrying out of their duties should receive their undivided attention, time and energy. Employees should especially make an effort to see to it that their duties are finalised by the time/deadlines required.

Employees should furthermore strive to be self-motivated and self-directed, faithfully doing their work in accordance with the laid down policies and procedures without someone else having to request/remind them to do so.

Example 1: An employee turns up at work late and tired as a result of staying up late at a party the previous evening and

is not able to do his or her work properly. He or she is guilty of being irresponsible and wasting public money.

Example 2: If an employee has to complete an urgent assignment by a deadline, he or she must work in such a way that he or she will not miss the deadline. This may require him or her to work during tea and lunch time and after hours, or having to request the assistance of colleagues if the task is too big for one person to deal with in the required time.

4.4.4 An employee executes his or her duties in a professional and competent manner.

Employees should continually ask themselves whether they are truly satisfied with their work and whether they would be satisfied if they were in the shoes of the people receiving their end-product or service. Employees should also constantly ask themselves whether they are treating others (colleagues, supervisors and the public) in a manner that respects their human dignity and legitimate rights and whether they are displaying a knowledgeable, pleasant, helpful and efficient attitude. Their ability to render services in a professional and competent manner will also depend on their level of knowledge of the duties to be performed, which again emphasises the responsibility of both employer and employees to attend to training.

Example 1: Sometimes an employee rendering a counter service has to deal with a person who appears to have difficulty understanding why certain things have to be done in a certain way. The employee should not react emotionally, but must calmly explain the reasons. If the person is still unhappy, the employee could propose that the

individual puts his or her complaint in writing and provide him or her with the address to which to send the complaint.

Example 2: If an employee is responsible for answering written enquiries from the public, he or she should make sure that all enquiries are responded to promptly and that the answers are factually correct and politely and correctly formulated. In cases where it is not possible to reply immediately, the employee should at least promptly acknowledge receipt of the enquiry.

Example 3: A newly recruited employee is placed on a counter service without direct supervision and before appropriate training has taken place. Although it could be argued that the relevant employee should learn the duties "on the job", sight must not be lost of the harm that such a practice could cause the image of the employer if the employee acts incorrectly or customers experience unacceptable time delays.

4.4.5 An employee does not engage in any transaction or action that is in conflict with or infringes on the execution of his or her official duties.

In order to bring about and maintain trust in the Public Service, all employees are expected to serve in a loyal and dedicated manner. This requires employees not to get involved, either on or off duty, in matters or activities that could:

- (a) be regarded as being fraud or theft;
- (b) interfere with the carrying out of their duties;

- (c) influence the way in which they do their work;
- (d) influence their objectivity in making decisions;
- (e) create embarrassment for the State as employer; or
- (f) be perceived to potentially prejudice or favour certain parties.

Employees' behaviour on and off duty should be such that the Government of the day and members of the public will trust them to loyally do their work, with the only objective being the best interests of the community.

Example 1: An employee working with tax assessments may not, extramurally or during official hours and for extra remuneration, or as a favour, assist members of the public to evade tax.

Example 2: An employee may not serve on the board of an organisation/business with which his or her department does business.

4.4.6 An employee will recuse himself or herself from any official action or decision-making process which may result in improper personal gain, and this should be properly declared by the employee.

Whenever employees feel that they cannot remain objective in performing their work or making a decision, or when other people might have reason to believe that they are not able to remain objective because of some kind of external involvement, they must immediately withdraw from such

activities in order to protect the fair, honest and trustworthy image of the Public Service.

Example 1: If an employee serves on a selection panel responsible for the filling of a vacant post and he or she discovers that one of his or her family members has applied for the post and has been short-listed, such an employee should excuse himself or herself from the proceedings since he or she will not be regarded as being able to remain objective. The employee should also declare this in writing.

Example 2: If an employee is involved in the purchasing of land for a Government project and some of the land belongs to one of his or her relatives, the employee should point this out to his or her superiors and excuse himself or herself from dealing with that particular transaction.

4.4.7 An employee accepts the responsibility to avail himself or herself of on-going training and self-development throughout his or her career.

It is a particular responsibility of Managers and Supervisors to see that their subordinates receive ongoing training to ensure that they can perform their duties independently and to equip them for their future career advancement. However, each employee has a personal responsibility to take the necessary steps to ensure that he or she —

- (a) has full knowledge and understanding of what is expected of him or her as a Public Service employee;
- (b) has full knowledge and understanding of how to carry out his or her duties; and

- (c) enhances his or her knowledge and skills for purposes of possible future utilisation in higher positions.

Example 1: If a new appointee is unsure of how to perform any of his or her duties, he or she should consult the prescripts regulating the relevant duties and should ask either his or her colleagues or supervisor, or both, for assistance .

Example 2: Employees who have served the Public Service for years may show under-preparedness in certain areas of their work. It would be beneficial for them to use any opportunity for further training, for example, completing a module related to their work needs, or enrolling for further academic studies.

4.4.8 An employee is honest and accountable in dealing with public funds and uses the Public Service's property and other resources effectively, efficiently, and only for authorised official purposes.

The general public trusts public servants with the assets, property and funds of the State, expecting employees to handle these in a responsible and honest manner.

Employees are also expected to bring about savings for the taxpayer in the way that they handle public property and funds. It is important that employees realise that the lower the State's expenses can be kept, the more and better quality services can be rendered to the country within the limits of the available resources.

Example 1: If an employee has access to a fax machine, he or she should not send and receive private faxes under the pretence that they are official. If the employee wishes to send a private fax, he or she must obtain approval to do so and must also pay for the use of the machine.

Example 2: An employee uses State property (cars, machines, furniture, etc), negligently or recklessly and causes damage. This means that public money is wasted and that a lower level of services can be rendered, which is not in the public interest.

Example 3: An employee uses State property (anything from paper and pencils to cars) for his or her private purposes. This is not in the interest of the public because the person is not only stealing from the State and the taxpayer, but also making the public lose respect for the Public Service.

4.4.9 An employee promotes sound, efficient, effective, transparent and accountable administration.

The promotion of sound, efficient, transparent and accountable administration implies that every citizen should have equal access to efficient, helpful and friendly service, irrespective of his or her status, gender, race, etc.

In rendering sound, efficient and accountable administrative services, the basic values and principles of the Constitution must always be kept in mind. Employees must at all times try to complete their tasks without delay, and should also continually strive to do quality work, no matter how unimportant a task may seem.

Example 1: If an employee is given an instruction to make photocopies of documents that are to be attached to letters going out to various other institutions, such copies should be neat and clear, as this will add to the image of the institution.

Example 2: An employee who is responsible for managing Government owned transport must ensure that log books for all vehicles allocated to his or her division/section have been submitted in time and all kilometres travelled have been properly recorded.

Example 3: All official transactions must be properly recorded so that the procedure followed and considerations taken into account will be clear if an enquiry or dispute should arise. This will enhance transparency.

4.4.10 An employee in the course of his or her official duties, shall report to the appropriate authorities, fraud, corruption, nepotism, maladministration and any other act which constitutes an offence, or which is prejudicial to the public interest.

Corruption refers to widespread moral deterioration especially bribery or fraud. It often goes hand in hand with other criminal practices, for example influence peddling, drug trafficking, ghost workers, fraud and organised crime which may threaten a legitimate economy. Firstly, it is a factor of social disintegration and is extremely harmful to any community. It is always underpinned by a "get rich quick" social ethos. Secondly, it undermines the legitimacy of a political system by destroying trust and confidence, for when an administration loses its credibility a climate for instability and lawlessness is created. Thirdly, it frustrates the economic system. It does this by acting as a disincentive

to investment, whether by foreign or local entrepreneurs. Corruption eats away at the very fabric of public trust and confidence in our democracy. We need to nip it in the bud.

It is the duty of all employees to report any illegal actions, dishonest behaviour or corrupt practices to their Supervisors or a relevant authority as soon as they become aware of them. Corrupt practices are often fed by lack of work ethic, absence of public accountability and responsibility, as well as by nepotism.

Example 1: An employee who is responsible for transporting employees regularly with a Government minibus might be allowed, for practical reasons, to drive himself or herself home and park the minibus at his or her premises. His or her colleagues notice that the employee is utilising the minibus as a taxi in order to earn extra money. They must immediately report this to the employee's supervisor. If appropriate steps are not taken, the matter can be reported to the Public Protector.

Example 2: If an employee in the Department of Transport responsible for issuing traffic fines to road offenders is offered money by a driver as a bribe, he or she must report the person offering the bribe for possible prosecution. If an employee accepts any bribe, he or she is guilty of corruption.

Example 3: An employee is not involved in corrupt practices, but is aware of colleagues who are. If the employee keeps quiet and does not report the malpractice, he or she is evading collective responsibility for the integrity of the Public Service. In such a case, he or she becomes an accessory to corruption.

4.4.11 An employee gives honest and impartial advice, based on all available relevant information, to higher authority when asked for assistance of this kind.

Whenever employees are asked to give advice to any higher authority on a particular matter, it should be given on the basis of professional integrity in terms of work ethic. This advice should not be influenced by personal likes, dislikes or preferences.

Example: An employee who deals with a grievance of a fellow colleague to whom he or she is sympathetic must not withhold facts from management in order to put the grievance of his or her colleague in a better light. The withholding of relevant information in this case might be detrimental to a department/administration.

4.4.12 An employee honours the confidentiality of matters, documents and discussions, classified or implied as being confidential or secret.

Transparency means, *inter alia*, that everyone has the right of access to information held by the State if such information is required to protect certain rights of the individual. There may, however, be information that is classified as confidential. In such a case it is the duty of an employee to honour confidentiality, as disclosure may be detrimental to the State.

Example 1: It would be wrong for an employee to supply the media with confidential information, such as Cabinet memoranda or a draft policy formulation of the Government of the day.

Example 2: Information that is kept on the personal records of employees is regarded as confidential and must at all times be treated as such. This information may, for instance, not be supplied to insurance companies or any outside party unless an acceptable reason exists for doing so and it has been appropriately authorised.

Example 3: Electronic Communication

Sensitive and confidential information should only be faxed in the absence of more secure transmission possibilities. Such a fax must be authorised by the source and the recipient beforehand, information classified as highly confidential and top secret may never be sent through a public network, unless safeguard measures are taken. In all instances information must be safeguarded with a lock in whatever way or form it might exist.

ACCESS CONTROL: Various categories of information should be accessible to respective and intended users. An access control check list should be maintained. Rights to access should consider business continuity. Passwords shall not be shared with any other person for any other reason. Remote access should be controlled through relevant safeguards through robust identification, authentication and encryption techniques. Access to third parties is only allowed in incidences where there is little or no risk associated.

E-MAIL AND WWW: Must be used for business purposes and not for malicious and illegal purposes. Transmission of sensitive information should be accompanied by relevant encryption and advanced electronic signature. A virus free environment needs to be maintained, suspicious mail should not be opened. Guard against copyright infringements,

verify information and acknowledge sources. Inappropriate material must be filtered.

SECURING DATA: Confidential information should always be transmitted in encrypted form. Enforcement measures for security bridges should be priority set and communicated to all personnel. Privacy and confidentiality should be maintained at all times. The integrity with which third parties will treat data received has to be established prior to information dissemination. Information security should not be confined to passwords alone, other complementary application e.g. bio-metrics should be explored. Only authorised personnel should speak to the media. Such conversations should be properly planned and comply with the broader framework. Addresses, and fax numbers are to be confirmed prior to dispatch.

COMBATING CYBERCRIME: High security levels are to be maintained for networks. A risk assessment should be conducted periodically to inform how attacks can be minimised. Quick restoration capabilities must be ensured. Evidence should not be dismissed on the basis of being in electronic format. Cybercrime is punishable by law as per the Electronic Communications and Transactions Act, the Interception and Monitoring Act and other sources of criminal law. Staff awareness and vigilance should be maintained.

4.5 PERSONAL CONDUCT AND PRIVATE INTERESTS

4.5.1 An employee during official duties, dresses and behaves in a manner that enhances the reputation of the Public Service.

The Government and the community expect a high level of professionalism from public servants. Professionalism here means punctuality, initiative, dedication, skill and quality in providing service. Dress should at all times be neat, decent and respectable. Employees, especially those who deal directly with the public, should take care not to dress too informally or to look untidy.

Example 1: Employees, especially those who serve the public directly, should not, for instance, work in a torn shirt and jeans with holes in them.

Example 2: No public servant should come to work looking untidy. If, for example, an employee working at an international point of entry into the country comes to work unshaven and smelling of liquor, he or she will be creating a negative image of South Africa, which will be to the detriment of the country.

4.5.2 An employee acts responsibly as far as the use of alcoholic beverages or any other substance with an intoxicating effect is concerned.

Employees should never be under the influence of alcohol or any other intoxicants while on duty. Apart from the embarrassment it might cause, this could adversely influence their rendering of services and interaction with other employees and the public.

The morale of employees and a good team spirit are important in the functioning of an organisation. Employees must not disgrace themselves in the eyes of their colleagues by abusing intoxicating substances during official functions.

Even if an employee is off duty, he or she still remains a public servant and should always act responsibly so as not to embarrass the Public Service.

Example 1: A Supervisor who over-indulges during an office party and becomes intoxicated will disgrace himself or herself in the eyes of his or her seniors, colleagues and subordinates. This could have a negative effect on the efficient functioning of his or her component.

Example 2: If an employee, particularly one who has to serve the public, arrives at work smelling of liquor (or, worse still, under the influence) he or she is at the very least guilty of bad manners, and his or her behaviour will damage the overall image and effectiveness of the Public Service. It is also important to understand that behaviour of this kind is regarded as misconduct and that the employee is liable to be charged as such in these circumstances.

4.5.3 An employee shall not, without prior written approval of the Head of Department obtain or accept any private gifts, benefits or item of monetary value (a description and the value and source of gift with a value in excess of R350) from any person for himself or herself during the performance of duties as these may be construed as bribes.

When a person is employed as a public servant, such an appointment carries a very special meaning. It clearly implies that such an employee sells his or her labour to the State and will be remunerated from taxes collected from the community at large and that the employee shall then provide the community with the best possible service in a professional and dedicated manner.

It must be clearly understood by both public servants and the community at large that unless it is officially required that a member of the public should pay an additional amount for a specific service, e.g. in the case of a certain amount which has to be paid for the issuing of an identity document, *no* further payments be it in cash or kind, should be made. This principle should be included in all service charters and should be clearly displayed in public buildings for the benefit of the public. Where additional payments are required for a specific service, this should also be indicated on the relevant (application) documents.

Likewise, potential service providers in the private sector should be made aware of the fact that the Public Service, in procuring services/goods, are bound by the principles contained in the Constitution regulating public administration which require the highest possible level of professional conduct. Offers of gifts, sponsorships, promotional material, luncheon invitations, etc. should thus not form part of their promotional activities in regard to the Public Service as it inevitably creates the impression/perception of improper influencing of decision takers and also makes for unfair competition where small service providers cannot afford to undertake such activities.

As this is always a highly contentious matter, the following is intended to serve as guidelines in directing departments' actions in this regard. It is impossible to provide departments with comprehensive guidelines and departments should approach the Public Service Commission for advice should they be in doubt regarding the handling of certain situations which may arise.

The acceptance of any gifts or other item of monetary value from any person or entity seeking official action from, doing

business with, or conducting activities regulated by performance of employee's duties can only be accepted within the express written approval of the Head of Department.

It is important to note that gifts and hospitality from a source other than a family member need to be declared. The gifts/benefits to be declared must be in excess of R350. Employees may also consult the Public Service Commission where doubts exist with regard to the acceptance of gifts.

4.5.4 An employee does not use or disclose any official information for personal gain or the gain of others.

Employees who in their official duties come into contact with sensitive, confidential or even secret information from time to time, may not disclose this information without the necessary authority to do so. Information may not be made available or utilised for personal gain or the gain of others or to support a personal vendetta against others. It is important that employees consider whether the disclosure of information would be in the interest of the Public Service. Employees must understand that transparency does not mean indiscriminately providing or disclosing information. Since it is impossible to provide full guidelines as to what information can be made available to whom, employees are urged to always seek prior approval from higher authority when they are uncertain.

Example 1: The disclosure of the selection criteria or the interviewing questions to some of the contenders for a post would not only wrongfully favour the position of some candidates, but also negatively affect the rights of the other

contenders to have an equal opportunity to contend for the post.

Example 2: If an employee, because of the nature of his or her job, has knowledge of a Government project that will increase property values in a particular area, the employee may not in any way make use of such information to enrich himself or herself or his or her relatives or friends.

4.5.5 An employee does not, without approval, under-take remunerative work outside his or her official duties or use office equipment for such work.

Employees are expected to place their undivided attention, time and skills at the disposal of the Public Service as employer. The nature and demands of the job in the Public Service are such that the interests of both the Public Service and the community may be prejudiced by a public servant undertaking remunerative work outside official duties. It is therefore mandatory to obtain prior approval to perform remunerative work outside official hours.

Example 1: An employee becomes a partner in business. There is an arrangement that he or she should be on duty at the business after hours only. Unexpectedly, his or her work situation at the Public Service institution demands that he or she works overtime. The consequences of this may lead to a conflict of interest, frustration and divided attention.

Example 2: A medical doctor employed in a Government hospital, shall not, without the approval of his or her Head of Department, do part-time work for which he or she receives remuneration at a friend's surgery and/or use Government equipment and/or medicines for this purpose.

Example 3: An employee works at a second job after hours, which means that he or she goes to bed late. The result is that the employee is tired during the day and cannot perform at the level he or she is expected to or capable of. This is not in the public interest and indirectly wastes taxpayer's money.

CHAPTER 2

CODE OF CONDUCT FOR THE PUBLIC SERVICE

A PURPOSE

- A.1 In order to give practical effect to the relevant constitutional provisions relating to the Public Service, all employees are expected to comply with the Code of Conduct provided for in this Chapter.
- A.2 The Code should act as a guideline to employees as to what is expected of them from an ethical point of view, both in their individual conduct and in their relationship with others. Compliance with the Code can be expected to enhance professionalism and help to ensure confidence in the Public Service.

B INTRODUCTION

- B.1 The need exists to provide direction to employees with regard to their relationship with the legislature, political and executive office-bearers, other employees and the public and to indicate the spirit in which employees should perform their duties, what should be done to avoid conflicts of interests and what is expected of them in terms of their personal conduct in public and private life.
- B.2 Although the Code of Conduct was drafted to be as comprehensive as possible, it is not an exhaustive set of rules regulating standards of conduct. However, Heads of Department, by virtue of their

responsibility in terms of section 7(3)(b) of the Act of the efficient management and administration of their departments and the maintenance of discipline, are, *inter alia*, under a duty to ensure that the conduct of their employees conform to the basic values and principles governing public administration and the norms and standards prescribed by the Act. Heads of Department should also ensure that their staff are acquainted with these measures, and that they accept and abide by them.

- B.3 The primary purpose of the Code is a positive one, viz. to promote exemplary conduct. Notwithstanding this, an employee shall be guilty of misconduct and may be dealt with in accordance with the relevant collective agreement if she or he contravenes any provision of the Code of Conduct or fails to comply with any provision thereof.

C. CODE OF CONDUCT

C.1 RELATIONSHIP WITH THE LEGISLATURE AND THE EXECUTIVE

An employee —

- C.1.1 is faithful to the Republic and honours the Constitution and abides thereby in the execution of his or her daily tasks;
- C.1.2 puts the public interest first in the execution of his or her duties;

- C.1.3 loyally executes the policies of the Government of the day in the performance of his or her official duties as contained in all statutory and other prescripts;
- C.1.4 strives to be familiar with and abides by all statutory and other instructions applicable to his or her conduct and duties; and
- C.1.5 co-operates with public institutions established under legislation and the Constitution in promoting the public interest.

C.2 RELATIONSHIP WITH THE PUBLIC

An employee —

- C.2.1 promotes the unity and well-being of the South African nation in performing his or her official duties;
- C.2.2 will serve the public in an unbiased and impartial manner in order to create confidence in the Public Service;
- C.2.3 is polite, helpful and reasonably accessible in his or her dealings with the public, at all times treating members of the public as customers who are entitled to receive high standards of service;
- C.2.4 has regard for the circumstances and concerns of the public in performing his or her official duties and in the making of decisions affecting them;

- C.2.5 is committed through timely service to the development and upliftment of all South Africans;
- C.2.6 does not unfairly discriminate against any member of the public on account of race, gender, ethnic or social origin, colour, sexual orientation, age, disability, religion, political persuasion, conscience, belief, culture or language;
- C.2.7 does not abuse his or her position in the Public Service to promote or prejudice the interest of any political party or interest group;
- C.2.8 respects and protects every person's dignity and his or her rights as contained in the Constitution; and
- C.2.9 recognises the public's right of access to information, excluding information that is specifically protected by law.

C.3 RELATIONSHIP AMONG EMPLOYEES

An employee —

- C.3.1 co-operates fully with other employees to advance the public interest;
- C.3.2 executes all reasonable instructions by persons officially assigned to give them, provided these are not contrary to the provisions of the Constitution and/or any other law;
- C.3.3 refrains from favouring relatives and friends in work-related activities and never abuses his or her

authority or influences another employee, nor is influenced to abuse his or her authority;

C.3.4 uses the appropriate channels to air his or her grievances or to direct representations;

C.3.5 is committed to the optimal development, motivation and utilisation of his or her staff and the promotion of sound labour and interpersonal relations;

C.3.6 deals fairly, professionally and equitably with other employees, irrespective of race, gender, ethnic or social origin, colour, sexual orientation, age, disability, religion, political persuasion, conscience, belief, culture or language; and

C.3.7 refrains from party political activities in the workplace.

C.4 PERFORMANCE OF DUTIES

An employee —

C.4.1 strives to achieve the objectives of his or her institution cost-effectively and in the public's interest;

C.4.2 is creative in thought and in the execution of his or her duties, seeks innovative ways to solve problems and enhances effectiveness and efficiency within the context of the law;

C.4.3 is punctual in the execution of his or her duties;

- C.4.4 executes his or her duties in a professional and competent manner;
- C.4.5 does not engage in any transaction or action that is in conflict with or infringes on the execution of his or her official duties;
- C.4.6 will recuse himself or herself from any official action or decision-making process which may result in improper personal gain, and this should be properly declared by the employee;
- C.4.7 accepts the responsibility to avail himself or herself of ongoing training and self-development throughout his or her career;
- C.4.8 is honest and accountable in dealing with public funds and uses the Public Service's property and other resources effectively, efficiently, and only for authorised official purposes;
- C.4.9 promotes sound, efficient, effective, transparent and accountable administration;
- C.4.10 in the course of his or her official duties, shall report to the appropriate authorities, fraud, corruption, nepotism, maladministration and any other act which constitutes an offence, or which is prejudicial to the public interest;
- C.4.11 gives honest and impartial advice, based on all available relevant information, to higher authority when asked for assistance of this kind; and

C.4.12 honours the confidentiality of matters, documents and discussions, classified or implied as being confidential or secret.

C.5 PERSONAL CONDUCT AND PRIVATE INTERESTS

An employee —

C.5.1 during official duties, dresses and behaves in a manner that enhances the reputation of the Public Service;

C.5.2 acts responsibly as far as the use of alcoholic beverages or any other substance with an intoxicating effect is concerned;

C.5.3 an employee shall not, without prior written approval of the Head of Department obtain or accept any gifts, benefits or item of monetary value (a description and the value and source of gift with a value in excess of R350) from any person for himself or herself during the performance of duties as these may be construed as bribes;

C.5.4 does not use or disclose any official information for personal gain or the gain of others; and

C.5.5 does not, without approval, undertake remunerative work outside his or her official duties or use office equipment for such work.



RESOLUTION NO. 2 OF 1999

DISCIPLINARY CODE AND PROCEDURES

1 Adoption of Disciplinary Code and Procedures

Parties to the PSCBC adopt the attached Disciplinary Code and Procedures for the Public Service.

2 Date of Implementation

This agreement comes into effect on the date on which the Public Service Laws Amendment Act 1998 (Act No 86 of 1998), which deem as an agreement the clauses that establish a disciplinary code for the public service, comes into effect.

DISCIPLINARY CODE AND PROCEDURES FOR THE PUBLIC SERVICE

1 PURPOSE AND SCOPE

1 The purpose of this Code and Procedures is:

- 1.1 to support constructive labour relations in the public service;
- 1.2 to promote mutual respect between employees and between employees and employer;
- 1.3 to ensure that managers and employees share a common understanding of misconduct and discipline;
- 1.4 to promote acceptable conduct;
- 1.5 to provide employees and the employer with a quick and easy reference for the application of discipline;
- 1.6 to avert and correct unacceptable conduct; and
- 1.7 to prevent arbitrary or discriminatory actions by managers toward employees.

2 PRINCIPLES

2 The following principles inform the Code and Procedure and must inform any decision to discipline an employee.

- 2.1 Discipline is a corrective measure and not a punitive one.
- 2.2 Discipline must be applied in a prompt, fair, consistent and progressive manner.
- 2.3 Discipline is a management function.
- 2.4 A disciplinary code is necessary for the efficient delivery of service and the fair treatment of public servants, and ensures that employees:
 - a. have a fair hearing in a formal or informal setting;
 - b. are timeously informed of allegations of misconduct made against them;
 - c. receive written reasons for a decision taken; and
 - d. have the right to appeal against any decision.
- 2.5 As far as possible, disciplinary procedures shall take place in the place of work and be understandable to all employees.
- 2.6 If an employee commits misconduct that is also a criminal offence, the criminal procedure and the disciplinary procedure will continue as separate and different proceedings.
- 2.7 Disciplinary proceedings do not replace or seek to imitate court proceedings.
- 2.8 The Code and Procedures are guidelines and may be departed from in appropriate circumstances.

3 SCOPE OF APPLICATION

- 3 This Code and Procedure apply to the employer and all employees falling within the registered scope of the Public Service Co-ordinating Bargaining Council. It does not, however, apply to the employer and employees covered by a disciplinary code and procedure,
- 3.1 concluded in a sectoral council and approved by the PSCBC to ensure uniformity of procedures across the public service, or
 - 3.2 contained in legislation or regulations.

4 CODE, RULES AND STANDARDS

- 4.1 The Code of Good Practice contained in Schedule 8 of the Labour Relations Act, 1995, insofar as it relates to discipline, constitutes part of this Code and Procedure.
- 4.2 Employee conduct that may warrant a disciplinary action is listed in Annexure A. This list is not exhaustive. Management may discipline an employee in respect of other conduct, if the employee knew, or ought to have known, that the conduct constituted grounds for disciplinary action.
- 4.3 In applying Annexure A, management must assess the seriousness of the alleged misconduct by considering:
 - a. the actual or potential impact of the alleged misconduct on the work of the public service, the employee's component and colleagues, and the public;
 - b. the nature of the employee's work and responsibilities; and
 - c. the circumstances in which the alleged misconduct took place.

5 PROCEDURES: DISCIPLINARY ACTIONS

- 5.1 **Corrective counselling.** In cases where the seriousness of the misconduct warrants counselling, the manager of the employee must:
 - a. bring the misconduct to the employee's attention;
 - b. determine the reasons for the misconduct and give the employee an opportunity to respond to the allegations;
 - c. seek to get agreement on how to remedy the conduct; and
 - d. take steps to implement the agreed course of action.
- 5.2 **Verbal warnings.** In cases where the seriousness of the misconduct warrants a verbal warning, the manager of the employee may give a verbal warning. The manager must inform the employee that further misconduct may result in more serious disciplinary action, and record the warning.
- 5.3 **Written warnings.** In cases where the seriousness of the misconduct warrants a written warning, the manager may give the employee a written warning. The following provisions apply to written warnings:
 - a. The written warning may use the form of Annexure B.
 - b. The manager must give a copy of the written warning to the employee, who must sign receipt of it. If the employee refuses to sign receipt, the manager must hand the warning to the employee in the presence of another employee, and sign in confirmation that the written warning was conveyed to the employee.
 - c. The written warning must be filed in the employee's personal file.
 - d. A written warning remains valid for six months. At the expiry of the six months, the written warning must be removed from the employee's personal file and destroyed.
 - e. If during the six-month period, the employee is subject to disciplinary action, the written warning may be taken into account in deciding an appropriate sanction.

- 5.4 **Final written warnings.** In cases where the seriousness of the misconduct warrants a final written warning, the manager may give the employee a final written warning. The following provisions apply to final written warnings:
- a. The final written warning may use the form of Annexure C.
 - b. The manager must give a copy of the final written warning to the employee, who must sign receipt of it. If the employee refuses to sign receipt, the manager must hand the warning to the employee in the presence of another employee, and sign in confirmation that the final written warning was conveyed to the employee.
 - c. The final written warning must be filed in the employee's personal file.
 - d. A final written warning remains valid for six months. At the expiry of the six months, the final written warning must be removed from the employee's personal file and destroyed.
 - e. If during the six-month period, the employee is subject to disciplinary action, the final written warning may be taken into account in deciding an appropriate sanction.
- 5.5 For less serious forms of misconduct, no formal enquiry shall be held.
- 5.6 For the purpose of determining appropriate disciplinary actions, valid warnings for similar offences by the employee shall be taken into account.

6 SERIOUS MISCONDUCT

- 6 If the alleged misconduct justifies a more serious form of disciplinary action than provided in paragraph 5, the employer may initiate a disciplinary enquiry. The employer must appoint a representative, who as far as possible should be the manager for the employee, to initiate the enquiry.

7 DISCIPLINARY ENQUIRY

7.1 Notice of enquiry

- a. The employee must be given notice at least five working days before the date of the hearing.
- b. The employee must sign receipt of the notice. If the employee refuses to sign receipt of the notice, it must be given to the employee in the presence of a fellow employee who shall sign in confirmation that the notice was conveyed to the employee.
- c. The written notice of the disciplinary meeting must use the form of Annexure D, and provide:
 - i. a description of the allegations of misconduct and the main evidence on which the employer will rely;
 - ii. details of the time, place and venue of the hearing; and
 - iii. information on the rights of the employee to representation by a fellow employee or a recognised trade union, and to bring witnesses to the hearing.

7.2 Precautionary suspension

- a. The employer may suspend an employee on full pay or transfer the employee if
 - i. the employee is alleged to have committed a serious offence; and
 - ii. the employer believes that the presence of an employee at the workplace might jeopardise any investigation into the alleged misconduct, or endanger the well being or safety of any person or state property.
- b. A suspension of this kind is a precautionary measure that does not constitute a judgement, and must be on full pay.
- c. If an employee is suspended or transferred as a precautionary measure, the employer must hold a disciplinary hearing within a month. The chair of the hearing must then decide on any further postponement.

7.3 Conducting the disciplinary hearing

- a. The disciplinary must be held within ten working days after the notice referred to in paragraph 7.1(a) is delivered to the employee.
- b. The chair of the hearing must be an employee on a higher grade than the representative of the employer. If the employee charged with misconduct is a head of department, the presiding officer must be an executing authority or another person with appropriate knowledge designated by the Cabinet or the Provincial Executive Committee.
- c. If the employee wishes, she or he may be represented in the hearing by a fellow employee or a representative of a recognised trade union.
- d. If necessary, an interpreter may attend the hearing.
- e. In a disciplinary hearing, neither the employer nor the employee may be represented by a legal practitioner, unless the employee is a legal practitioner. For the purposes of this agreement, a legal practitioner is defined as a person who is admitted to practise as an advocate or an attorney in South Africa.
- f. If the employee fails to attend the hearing and the chair concludes that the employee did not have a valid reason, the hearing may continue in the employee's absence.
- g. The chair must keep a record of the notice of the disciplinary hearing and the proceedings of the meeting.
- h. The chair will read the notice for the record and start the hearing.
- i. The representative of the employer will lead evidence on the conduct giving rise to the hearing. The employee or the employee's representative may question any witness introduced by the representative of the employer.
- j. The employee will be given an opportunity to lead evidence. The representative of the employer may question the witnesses.
- k. The chair may ask any witness questions for clarification.
- l. If the chair decides the employee has committed misconduct, the chair must inform the employee of the finding and the reasons for it.
- m. Before deciding on a sanction, the chair must give the employee an opportunity to present relevant circumstances in mitigation. The representative of the employer may also present aggravating circumstances.
- n. The chair must communicate the final outcome of the hearing to the employee within five working days after the conclusion of the disciplinary enquiry, and the outcome must be recorded on the employee's personal file.

7.4 Sanctions

- a. If the chair finds an employee has committed misconduct, the chair must pronounce a sanction, depending on the nature of the case and the seriousness of the misconduct, the employee's previous record and any mitigating or aggravating circumstances. Sanctions consist of:
 - i. counselling;
 - ii. a written warning;
 - iii. a final written warning;
 - iv. suspension without pay, for no longer than three months;
 - v. demotion;
 - vi. a combination of the above; or
 - vii. dismissal.
- b. With the agreement of the employee, the chair may only impose the sanction of suspension without pay or demotion as an alternative to dismissal. If an employee is demoted, after a year she or he may apply for promotion without prejudice.
- c. The employer shall not implement the sanction during an appeal by the employee.

8 APPEAL

- 8.1 An employee may appeal a finding or sanction by completing Annexure E.
- 8.2 The employee must, within five working days of the receiving notice of the final outcome of a hearing or other disciplinary procedure, submit the appeal form to her or his executing authority, or to her or his manager, who shall then forward it to the appeal authority.
- 8.3 The appeal authority, who shall consider the appeal, shall be:
- a. the executing authority of the employee, or
 - b. an employee appointed by the executing authority, who
 - i. was not involved in the decision to institute the disciplinary proceeding, and
 - ii. who has a higher grade than the chair of the disciplinary hearing.
- 8.4 If the employee is a head of department, the relevant Premier or the President will consider the appeal.
- 8.5 If the person referred to in paragraph 8.3 requires a hearing, she or he shall notify the employee of the date and place.
- 8.6 The appeal authority may
- a. uphold the appeal, and/or
 - b. reduce the sanction, or
 - c. confirm the outcome of the disciplinary proceeding.
- 8.7 The employer shall immediately implement the decision of the appeal authority.

Note: *The employee retains the right to utilise dispute-settlement mechanisms provided under the Labour Relations Act.*

ANNEXURE A

ACTS OF MISCONDUCT

- An employee will be guilty of misconduct if she or he, among other things (this list is not exhaustive):*
- Fails to comply with, or contravenes an Act, regulation or legal obligation.
 - Wilfully or negligently mismanages the finances of the State.
 - Without permission possesses or wrongfully uses the property of the State, another employee's and/or a visitor.
 - Wilfully, intentionally or negligently damages and or causes loss of state property.
 - Endangers the lives of self or others by disregarding safety rules or regulations.
 - Prejudices the administration, discipline or efficiency of a department, office or institution of the State.
 - Misuses his or her position in the public service to promote or to prejudice the interest of any political party.
 - Steals, bribes or commits fraud.
 - Accepts any compensation in cash or otherwise from a member of the public or another employee for performing her or his duties without written approval from the department.
 - Fails to carry out a lawful order or routine instruction without just or reasonable cause.
 - Absents or repeatedly absents him/herself from work without reason or permission.
 - Commits an act of sexual harassment.
 - Discriminates against others on the basis of race, gender, disability, sexuality or other grounds outlawed by the Constitution.
 - Performs poorly or inadequately for reasons other than incapacity.
 - Without written approval from her or his department, performs work for compensation in a private capacity for another person or organisation either during or outside working hours.
 - Without authorisation, sleeps on duty.
 - While on duty, is under the influence of an intoxicating, illegal, unauthorised, habit-forming and/or stupefying drug, including alcohol.
 - While on duty, conducts herself or himself in an improper, disgraceful and unacceptable manner.
 - Contravenes any prescribed Code of Conduct for the public service.
 - Assaults, or attempts or threatens to assault, another employee or person while on duty.
 - Incites other personnel to unprocedural and unlawful conduct.
 - Displays disrespect towards others in the workplace or demonstrates abusive or insolent behaviour.
 - Intimidates or victimises fellow employees.
 - Prevents other employees from belonging to any trade union or body.
 - Operates any money lending scheme for employees for own benefit during working hours or from the premises of the public service.
 - Carries or keeps firearms or other dangerous weapons on state premises, without the written authorisation of the employer.
 - Refuses to obey security regulations.
 - Gives false statements or evidence in the execution of his or her duties.
 - Falsifies records or any other documentation.
 - Participates in unprocedural, unprotected and/or unlawful industrial action.
 - Commits a common law or statutory offence while on state premises.

ANNEXURE B

WRITTEN WARNING

[DATE]
[NAME OF EMPLOYEE]
[PERSONAL DETAILS OF THE EMPLOYEE]

This is a written warning in terms of the disciplinary procedure. Should you engage in further misconduct, the written warning may be taken into account in determining a more serious sanction.

The written warning will be placed in your personal file and will remain valid for a period of six months from the date of the written warning. After six months the written warning will be removed from your personal file and be destroyed.

If you object to the warning, you may direct an appeal to [NAME] within five working days.

The nature of the misconduct is:

SIGNATURE OF EMPLOYEE
DATE

SIGNATURE OF MANAGER
DATE

SIGNATURE OF WITNESS (If applicable)
DATE

ANNEXURE C

FINAL WRITTEN WARNING

[DATE]
[NAME OF EMPLOYEE]
[PERSONAL DETAILS OF THE EMPLOYEE]

This is a final written warning in terms of the disciplinary procedure. Should you engage in further transgressions, it could lead to formal misconduct proceedings being instituted against you.

This final written warning will be placed in your personal file and will remain valid for a period of six months from the date of the written warning. After six months the written warning will be removed from your personal file and be destroyed.

If you object to the warning, you may direct an appeal to [NAME] within five working days.

The nature of the misconduct is

SIGNATURE OF EMPLOYEE
DATE

SIGNATURE OF REPRESENTATIVE OF THE EMPLOYER
DATE

SIGNATURE OF WITNESS (If applicable)
DATE

ANNEXURE D

NOTICE OF DISCIPLINARY MEETING

[DATE]
[NAME OF EMPLOYEE]
[PERSONAL DETAILS OF THE EMPLOYEE]

You are hereby given notice to attend a disciplinary hearing in terms of clauses 6 and 7 of the Disciplinary Code.

The alleged misconduct and the available evidence is:

[A DETAILED DESCRIPTION OF MISCONDUCT MAY BE ATTACHED].

The meeting will be held at _____ [PLACE] on _____ [DATE] at _____ [TIME].
If you do not attend and cannot give reasonable grounds for failing to attend, the meeting will be held in your absence.

A fellow employee or a representative of a recognised union may represent you.

You may give evidence to the hearing in the form of documents or through witnesses. You will be entitled to question any witness introduced by the department.

If the enquiry holds that you are guilty of misconduct, you may present any relevant circumstances in determining the disciplinary sanction.

SIGNATURE OF EMPLOYEE
DATE

SIGNATURE OF REPRESENTATIVE OF THE EMPLOYER
DATE

SIGNATURE OF WITNESS (If applicable)
DATE

ANNEXURE E

NOTICE OF APPEAL

[DATE]
[NAME OF APPEAL AUTHORITY]

I, _____, [NAME OF EMPLOYEE] am hereby appealing against a disciplinary action imposed on _____ [DATE] at _____ [PLACE].

I attach a copy of the notice of the disciplinary enquiry and/or the written warning.
[THE APPEAL REQUEST IS NOT VALID UNLESS THESE DOCUMENTS ARE ATTACHED]

My reasons for appeal are:

The desired outcome of the appeal is:

I wish/do not wish [CHOOSE ONE] to provide additional evidence not available at the time of the disciplinary proceeding.

SIGNATURE OF EMPLOYEE
DATE

[PERSONAL DETAILS OF THE EMPLOYEE]



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP27 - Integrity management may not effectively deal with unethical	Fraud Risk Register 2016/17	- Anti fraud and corruption programmes may not effectively deal with unethical incidences and curb fraud and corruption	<ul style="list-style-type: none"> - Inadequate anti-fraud and corruption strategy - Lack of ICT tools to monitor corruption trends in the province - Delays in finalizing corruption cases (disciplinary and Criminal) - Reluctant to enforce disciplinary measures against perpetrators - Inadequate capacity within client departments, municipalities and public entities to implement fraud and corruption strategy - Inadequate coordination between anti-fraud and corruption agencies - Non compliance with Integrity Management Framework - Inadequate visibility of I DO RIGHT CAMPAIGNS - Inadequate monitoring of the fraud prevention strategies 	<ul style="list-style-type: none"> - High incidence of unethical behavior - Tarnish the integrity of KZN administration - Perpetuate fraud and corruption - Financial loss 	56 Major	36 Major		

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
						<ul style="list-style-type: none"> ◆ Antegrity Management TOR in place ◆ Anti corruption and anti-fraud forum in place <ul style="list-style-type: none"> - Integrity Leadership Conference - Provincial Forum on Anti-Corruption Forum - Anti-Corruption Management Committee - Provincial Forum on Anti-Corruption Committee - Technical Working Committee ◆ Municipality Anti-Corruption Forum ◆ Anti corruption impelmentation plan in place ◆ COHOD ◆ Ethics workshops are conducted ◆ Fraud Awareness Campaigns ◆ Fraud statistics are obtained from Law enforcement Agencies ◆ Integrity Management Forum ◆ Integrity Management Framework in place ◆ Municipalities Anticorruption strategy ◆ National Fraud hotline in place <ul style="list-style-type: none"> - Presidential Hotline ◆ Oversight Structures in place <ul style="list-style-type: none"> - Provincial Internal Audit Unit - Provincial Audit Committee (Cluster, Audit and Risk Committee) - Legislature ◆ Provincial Anti Corruption Forum ◆ Quarterly Reports on crime stats to the cabinet 	<ul style="list-style-type: none"> ◆ Approve a Provincial Anti Fraud and Anti Corruption strategy RO: Chief Director Integrity Management AO: Director Anti Fraud and Anti Corruption ◆ Start Date 2015-02-25 ◆ Due Date 2017-03-31 ◆ Conduct a survey on fraud and corruption environment in the KZN Province RO: GM Integrity Management AO: Director Anti-Fraud and Anti-Corruption ◆ Start Date 2016-07-12 ◆ Due Date 2017-03-31 ◆ Enhance the visibility of I DO RIGHT CAMPAIGN in provinceaa RO: CD Integrity Management Unit AO: Director Anti-Fraud and Anti-Corruption ◆ Start Date 2016-08-02 ◆ Due Date 2017-03-31 ◆ Enhance monitoring & reporting on implementation of fraud prevention strategies RO: Chief Director IMU AO: Director Anti-fraud and Anti Corruption ◆ Start Date 2016-07-12 ◆ Due Date 2016-10-31 	



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP06 - EPMDS	Fraud Risk Register 2016/17	- Undue performance bonuses and pay progression	- Favouritism - Poor compliance with prescribed performance management system - Employees' actual performance may not in line with set standards. - Late or non-submission of performance assessments (all levels) - Failure to manage PDP and Job description	- Perpetuation of poor performance - Increased grievances and labour disputes - Low staff morale - Division within the workforce - Financial loss - Negative impact on services delivery	48 Major	26 Moderate	<ul style="list-style-type: none"> places Revised Draft of Anti-fraud and anti-corruption strategy in place Use of Multimedia to Promote I DO RIGHT CAMPAIGN 	<ul style="list-style-type: none"> Facilitate the implementation of the Integrity Management Framework in the Prov RO: CD IMU AC: Director Anti Fraud and Anti Corruption Start Date 2016-07-19 Due Date 2017-03-31
OTP01 - Misappropriation and misallocation of assets	Fraud Risk Register 2016/17	- Misappropriation, abuse and misallocation of assets	- Non compliance with asset management policies and procedures - Lack of awareness of the asset management policy and procedures - Inadequate loss control policy and	- Financial loss - Misrepresentation of AFS - Unauthorized disposal of asset - Theft and abuse of assets. - Loss of information - (computers)	48 Major	26 Moderate	<ul style="list-style-type: none"> Departmental Human Resources Forum in place Departmental Moderating Committee in place Disciplinary measures are instituted against non compliance DPSA framework EPMDS issues are discussed at the Integrated Provincial HRM Forum EPMDS policy in place Intermediate Review Committee in place KRA aligned to job description Performance management system in place Quarterly reviews are conducted Training on EPMDS 	<ul style="list-style-type: none"> Review the implementation of the EPMDS RO: Chief Director SHRM AC: Director HRS Start Date 2016-07-13 Due Date 2016-09-30 Monitor the alignment between PDP/ Performance Agreements and JD RO: Chief Director SHRM AC: Director HRS Start Date 2016-07-31 Due Date 2016-12-31

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
			<ul style="list-style-type: none"> procedures - Inadequate asset procedure manuals (SOPS), including disposal procedures - Monthly reconciliations of the asset register to the General Ledger not performed - Monthly spot check and monitoring not conducted - Unauthorized update of the asset Register - Asset Controllers per sub programme not appointed - Lack of disposal committee - Inadequate loss control procedures 			<ul style="list-style-type: none"> Annual Stock count are conducted Asset Controllers appointed Asset Management policy in place Disposal Committee in place Disposal policy and procedures in place Hard Cat system in place Loss control committee in place Loss control policy in place Monthly reconciliation between HARDCAT and BAS Transfer forms in place - Completed whenever there is movement of assets 	<ul style="list-style-type: none"> Chief Directorate to monitor assets movements & report to Assets Management Unit RO: CFO AO: All Responsibility Managers & Director SCM Start Date 2016-08-02 Due Date 2016-08-31 Conduct a full asset count and update a risk register RO: CFO AO: Director - SCM Start Date 2016-08-02 Due Date 2016-09-30 Conduct Asset Management Training for Assets Controllers and Asset Man Personnel RO: CFO AO: Director SCM Start Date 2016-08-02 Due Date 2016-09-30 Heritage asset to be included in Hardcat & clearly marked to include identification RO: DDG Stakeholder Coordination AO: Chief Director Heritage Start Date 2016-08-02 Due Date 2016-10-31 	



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP07 - Employment Process	Fraud Risk Register 2016/17	<ul style="list-style-type: none"> - Unsuitable candidates may be employed 	<ul style="list-style-type: none"> - Poor implementation of vetting processes - Collision of staff - Poor response from external stakeholders (SACA and NIA) - Misrepresentation by candidates on their CVs - Nepotism - candidate connected to officials - Inconsistent application of recruitment policies and procedures - Failure to verify experience and qualifications 	<ul style="list-style-type: none"> - Unsuitable appointments - Poor service delivery - Fruitless expenditure - Low staff morale - Supernumery employee 	48 Major	26 Moderate	<ul style="list-style-type: none"> ◆ Employment Contract in place - <i>Employment contract has a clause for termination of service should negative information surface</i> ◆ HR Information Session are conducted ◆ National strategic intelligence Act No 62 of 2002 ◆ Personnel suitability check procedure manual ◆ Provincial Recruitment and Selection policy ◆ Provincial Security Managers Forum in place ◆ Selection panels includes representative from HR 	<ul style="list-style-type: none"> ◆ Prepare a list of tangible & intangible assets for inclusion in Hardcat RO: Chief Director IT AO: Chief Director IT Start Date 2016-08-02 Due Date 2016-10-31 ◆ Conduct a security clearance of relevant officials RO: DDG Corporate Services AO: Director Security Start Date 2016-07-13 Due Date 2017-03-31 ◆ Review the employment contracts of officials employed at the Private office RO: Chief Director SHRM AO: Director HRS Start Date 2016-07-13 Due Date 2016-11-30 ◆ Train panel members on a recruitment and selection procedure RO: Chief Director SHRM AO: Director HRS Start Date 2016-08-18 Due Date 2017-03-31
OTP28 - Misuse	Fraud Risk Register	<ul style="list-style-type: none"> - Theft, misuse and abuse of official 	<ul style="list-style-type: none"> - Inadequate monitoring of drivers 	<ul style="list-style-type: none"> - Financial loss - Impacts on Service 	45 Major	25 Moderate		



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
and abuse of official vehicles	Register 2016/17	vehicles	<ul style="list-style-type: none"> on officials trips - Non compliance with fleet management policy and procedures e.g. log sheets not completed and reconciled - Poor attendance at transport awareness sessions - Non compliance with loss control processes - Non completion of log sheet and inadequate monitoring mechanism 	<ul style="list-style-type: none"> delivery 			<ul style="list-style-type: none"> Car keys and first auto cards are placed in lockable place Departmental Transport Officer in place Disciplinary process and procedures in place Fleet management policy and procedures in place Local Transport Officers in place Monthly Transport report in place Transport Procedures awareness campaigns <ul style="list-style-type: none"> - Circulars - Awareness sessions are conducted Vehicle Log sheet are maintained 	<ul style="list-style-type: none"> Finalize investigations on damaged vehicles and implement corrective measures RO: DDG Corporate Services AO: Director: Auxiliary Services Start Date 2016-08-31 Due Date 2017-02-28 Consider to implement a vehicle tracking system RO: DDG Corporate Services AO: Director: Auxiliary Services Start Date 2016-08-02 Due Date 2017-02-28 Improve security and safeguarding of vehicles (Prof Nyembezi Bui) RO: DDG Corporate Services AO: Director Auxiliary Services Start Date 2016-08-31 Due Date 2017-03-31 Conduct awareness campaigns on fleet management processes RO: DDG Corporate Services AO: Director Auxiliary Services Start Date 2016-08-31 Due Date 2017-03-31
OTP44 - Abuse of emergency and	Fraud Risk Register 2016/17	- Abuse of emergency and urgent provisions	<ul style="list-style-type: none"> - Poor planning - Limited 	<ul style="list-style-type: none"> - Financial loss (inflated prices) 	42 Major	25 Moderate		

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
urgent provisions			<ul style="list-style-type: none"> understanding of SCM process - Inadequate monitoring of procurement plan - Conflict of interest - Collusion of suppliers and officials 	<ul style="list-style-type: none"> - Irregular Expenditure - Qualified audit opinion 			<ul style="list-style-type: none"> Annual internal audit review of SCM processes Annual SCM awareness and training for end users Deviation report to EXCO and MANCO Emergency and urgent cases are approved by the DG - Deviation over R 500 000 are reported to AGSA and KZN Treasury Emergency and urgent register in place Events Calendar in place Fraud and Ethics Awareness campaign in place Fraud prevention plan in place I DO RIGHT CAMPAIGN Integrity Management Framework in place Procurement plan in place SCM policy and procedures in place 	<ul style="list-style-type: none"> Appoint a panel of service providers RO-CFO AC: Senior Manager: Supply Chain Management <p>Start Date 2016-04-05 Due Date 2016-11-30</p>
OTP09 - Leave Management	Fraud Risk Register 2016/17	- Abuse and misuse of leave	<ul style="list-style-type: none"> - Late submission of leave forms to HRS resulting in delays in capturing leave on PERSAL - Inadequate monitoring of leave by supervisors - Non compliance of leave policy - Non submission of leave forms - Capacity constraints - Backlog of the 	<ul style="list-style-type: none"> - Incorrect leave records - Mismanagement of sick leave by employees - Financial loss - Negative impact on service delivery 	38 Major	21 Moderate		

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP12 - Fraudulent BAS activities	Fraud Risk Register 2016/17	<ul style="list-style-type: none"> - Fraudulent BAS activities e.g. change of suppliers banking details without authority, duplicate payments etc 	<ul style="list-style-type: none"> - processing of leave - Inadequate knowledge of leave policy by Responsibility Managers 	<ul style="list-style-type: none"> - Perpetuation of fraud and corruption - Financial Loss 	37 Major	20 Minor	<ul style="list-style-type: none"> ◆ Circulars on leave management are circulated to Responsibility Managers ◆ DPSA Determination on leave of absence in the public service ◆ Information sessions on leave are conducted ◆ Leave Policy ◆ Leave records are maintained by Responsibility Managers <ul style="list-style-type: none"> - Monthly leave records are submitted to HR for records purposes ◆ PILIR ◆ Plan to fasttrack the processing of leave backlog in place <ul style="list-style-type: none"> - Officials have been assigned to deal with backlog of leave ◆ Provincial Leave Policy ◆ Reconciliation of leave records to PERSAL Report 	<ul style="list-style-type: none"> ◆ Conduct a feasibility study on leave automated system <ul style="list-style-type: none"> RO: SGM SHRM AO: SM OD ◆ Conduct HR Information Seminar <ul style="list-style-type: none"> RO: GM SHRM AO: SM HRS ◆ Start Date 2015-11-30 ◆ Due Date 2016-06-30 ◆ Start Date 2015-04-01 ◆ Due Date 2016-03-31
OTP57 - Staff Bribery	Fraud Risk Register 2016/17	<ul style="list-style-type: none"> - Kickbacks paid to staff for preferential selection 	<ul style="list-style-type: none"> - Inadequate Monitoring Mechanism 	<ul style="list-style-type: none"> - Financial Loss - Poor Service Delivery 	48 Major	14 Minor	<ul style="list-style-type: none"> ◆ BAS user application form ◆ Biometric control in place ◆ Log user exception report are obtained via Provincial Treasury <ul style="list-style-type: none"> - Exception user reports are reviewed monthly ◆ Manual Verification of system controller changes ◆ Monthly review of BAS Log reports 	

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP11 - PERSAL Access	Fraud Risk Register 2016/17	<ul style="list-style-type: none"> - Irregular PERSAL activities e.g. duplicate salary payments, official with two persal numbers, ghost employees, unauthorized amendments, unauthorized access etc 	<ul style="list-style-type: none"> - Inadequate monitoring of PERSAL activities within the office of the Premier - Lack of review of access rights - Failure to conduct physical verification of employees on a regular basis (At least annually) 	<ul style="list-style-type: none"> - Increase fraud and corruption - Financial loss 	48 Major	14 Minor	<ul style="list-style-type: none"> ◆ E Procurement ◆ Emergency and Urgent procedures in place ◆ SCM Policy 	<ul style="list-style-type: none"> ◆ Explore the possibility of conducting lifestyle audits in terms of PSC Authority RO: DG AO: DG Start Date 2016-03-09 Due Date 2017-07-31 ◆ Regular Mandatory Ethics training RO: CD IMU AO: Director Anti Fraud and Anti Corruption Start Date 2016-03-09 Due Date 2017-03-31 ◆ Regular Mandatory Fraud awareness training RO: CD IMU AO: Director Anti Fraud and Anti Corruption Start Date 2016-03-09 Due Date 2017-03-31 ◆ Conduct a physical verification of employees RO: DDG Corporate Services AO: Director PERSAL Start Date 2016-07-13 Due Date 2016-10-31



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP02 -	Fraud Risk	- Fraudulent S&T	- Poor management by	- Financial loss	42 Major	12 Minor	<ul style="list-style-type: none"> ◆ Audit of duplicate payments is conducted ◆ Audit of Peral Controllers ◆ Audit on Duplicate appointments is conducted ◆ Biometric Access Control ◆ Monitoring of payments made on supplementary runs ◆ Peral User activity report (#6.3.7 choice 1) ◆ Physical verification of employees ◆ Provincial Peral Controllers Forum <ul style="list-style-type: none"> - Forum is chaired by office of the Premier ◆ Provincial Peral Policy ◆ Regular audit on Peral information - Audit of duplicate Peral payments is conducted - Duplicate appointments - Duplicate housing allowances - Duplicate qualification bonuses - Backdated termination of employees where there is no salary reversal - Salaries paid to deceased officials (according to Home Affairs) ◆ Review of unauthorized salary payments <ul style="list-style-type: none"> - Review of bank account details where a supplementary payment has been made ◆ Segregation of functions in place 	

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
Fraudulent S&T claims	Register 2016/17	claims e.g. inflated mileage, inflated car engine capacity, use of fictitious slips, inappropriately authorized claims, claims processed without valid documentation etc.	Responsibility Managers - Non Compliance with S&T policies and procedures - Inadequate monitoring - Dishonesty, greed and lack of integrity - Collusion between staff - Inappropriately approved S&T Claims	- Perpetuation of fraud and corruption - Hampered service delivery			<ul style="list-style-type: none"> ◆ Approval of weekly itinerary before travel ◆ Awareness campaigns are conducted ◆ Cost cutting measures in place <ul style="list-style-type: none"> - <i>Travelling is monitored</i> - <i>Limitation of kilometers in place</i> - <i>Limitation on overnight stay</i> ◆ Fraud prevention plan in place ◆ Integrity workshop and awareness are conducted ◆ Monthly analysis of S&T claims for trend analyses <ul style="list-style-type: none"> - <i>Monthly analysis of S&T claims to identify trends</i> ◆ S&T policies and procedures in place ◆ Vehicle declaration form in place 	
OTP58 - Tender Fraud	Fraud Risk Register 2016/17	Specification briefs designed for a particular service provider - (3-quote/single source)	- Collusion of employees - Unethical work practice - Inadequate monitoring	- Poor Service Delivery	36 Major	10 Insignificant	<ul style="list-style-type: none"> ◆ Bid Committees in Place ◆ Internal Audit ◆ Management Structures in place <i>MANCO and EXCO</i> ◆ SCM Policy in place ◆ Specification Committee 	
OTP25 - Unauthorised access to systems	Fraud Risk Register 2016/17	- Unauthorised access to systems. - Users circumventing logical access measures.	- Inadequate user account management processes	- Security over systems could be compromised - Inability to effectively manage security over the systems	36 Major	10 Insignificant	<ul style="list-style-type: none"> ◆ Bi Annual user access reviews for BAS and Persal ◆ BIO Mertric user access authentication ◆ Review bi annually Microsoft Active Directory User Account ◆ Review bi annually Microsoft Active Directory Yser Account ◆ User access forms 	

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
OTP55 - Abuse of IT Equipment	Fraud Risk Register 2016/17	Abuse/excessive phone/ 3G/ internet browsing	<ul style="list-style-type: none"> - Landline - lack of monitoring and supervision - Cell phone - Limits not always a guarantee 	- Financial Loss	28 Moderate	8 Insignificant	<ul style="list-style-type: none"> ◆ Cell phone and 3g invoices are reviewed and monitored by Managers. ◆ Cell phone policy is in place ◆ Certain sites are blocked off completely ◆ Protocol Set up ◆ The VPN, DPSA policy indicates the usage per employee ◆ Time on the internet is monitored by the IT department 	<ul style="list-style-type: none"> ◆ Upgrade a Local Area Network (LAN) RO: CD /IT AO: CD /IT ◆ Start Date 2016-09-09 ◆ Due Date 2017-03-31 ◆ Improve existing telephone system- Landline RO: CD /IT AO: CD /IT
OTP56 - Theft of information	Fraud Risk Register 2016/17	- Theft of entity's information/intellectual property	- Inadequate document management system	- Leaking of confidential information	0 Insignificant	0 Insignificant		<ul style="list-style-type: none"> ◆ Start Date 2016-09-09 ◆ Due Date 2017-03-31 ◆ Finalize PABX project- for effective control and audit trail RO: CD /IT AO: CD /IT

OTP Fraud Risks



Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
							<ul style="list-style-type: none"> Implement remote lock down of devices RO: CD IT AO: CD IT 	<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31
							<ul style="list-style-type: none"> Roll out of file plan in compliance with NARS RO: CD IT AO: CD IT 	<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31
							<ul style="list-style-type: none"> Implement document management policy AO: CD IT AO: Director Auxiliary Services 	<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31
							<ul style="list-style-type: none"> Implement wiper tools for when IT equipment theft occurs RO: CD IT AO: CD IT 	<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31
							<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31 	<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31



OTP Fraud Risks

Section B (ii) - Rated Risk Results per Risk Category

Risk Name	Programme Name	Risk Description	Root cause	Consequences	Inherent Risk	Residual Risk (Current)	Controls Details	Task Details
								<ul style="list-style-type: none"> Archive all emails for mimecast RO: GM IT AO: GM IT
								<ul style="list-style-type: none"> Start Date 2016-05-31 Due Date 2016-12-31
								<ul style="list-style-type: none"> Improve encryption tool for laptops and USBs and External devices RO: CD IT AO: CD IT
								<ul style="list-style-type: none"> Start Date 2016-03-09 Due Date 2017-03-31



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FRAUD POLICY

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DEFINATIONS AND TERMS

For the purpose of this policy, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

“Department” means The Kwa-Zulu-Natal Office of the Premier

“Accounting Officer” means The Director-General of the KZN Provincial Administration and Accounting Officer of the KwaZulu-Natal Office of the Premier.

“Internal Control” means the component within the Office of the Premier that is responsible for checking that there is administrative, financial, and human resource management compliance with legislation, procedures and policies thus limiting risk.

“Cluster Audit and Risk Committee” means the Cluster Audit and Risk Committee (CARC) appointed by the MEC to play an independent oversight role over the internal audit function within KZN Provincial Administration.

“Risk Committee” means the KZN Office the Premier Risk Management Committee appointed by the Accounting Officer to oversee the implementation of risk management including this policy within department

“Risk Management Unit” means Risk Management Section within Integrity Management Directorate

“Province” means Kwa-Zulu- Natal Provincial Administration

“Risk and Advisory Unit” means the Forensic Unit, a sub unit within the KZN Provincial Internal Audit Services (PIAS). The unit is responsible for forensic investigations in the KZN Provincial Administration.

“KZN Provincial Internal Audit” means a Directorate within KZN Provincial Treasury. The directorate is responsible for Assurance Services and Risk and Advisory Service in the KZN Provincial Administration

“Senior Management” means any employee who is on salary level 13 and higher in the Department.

“Fraud” means the unlawful and intentional making of a misrepresentation which causes actual prejudice or which is potentially prejudicial to another

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1. INTRODUCTION

This policy is intended to reinforce existing systems, policies, procedures, rules and regulations of the Department aimed at deterring, preventing, detecting, reacting to and reducing the impact of fraud. The department recognizes the fact that acts of fraud by its employees seriously deplete the scarce resources available to it in fulfilling its mandate. The Office also recognizes that the debilitating effects of fraud extend beyond the loss of cash and other assets which has severe negative repercussions on the ability of the Department to achieve its objectives. Although difficult to quantify, such acts, if left unchecked, seriously impact on:

- (a) The quality and effectiveness of service delivery;
- (b) The strength of business relationships with clients, suppliers and the public;
- (c) Employee morale; and
- (d) The reputation and image of department.

2. PURPOSE

The Purpose of the police is to prohibit dishonest and/ or fraudulent activities and to establish procedures for reporting fraudulent activities to company management. This policy details responsibility and assignment of controls and investigations relating to fraud.

3. AUTHORISATION

This policy is governed by the following legislation and policy documents:

- 3.1 Constitution of the Republic of South Africa Act, 1996 (Act 108 of 1996)
- 3.2 Prevention and Combating of Corrupt Activities Act, 2004
- 3.3 Criminal Procedures Act,
- 3.4 Protected Disclosures Act, Act 26 of 2000
- 3.5 Code of Conduct and Ethics for the Public Service.
- 3.6 Public Finance Management Act, Act 1 of 1999
- 3.7 Cabinet resolution No 166 of 2000
- 3.8 The KwaZulu-Natal Anti-Corruption Strategy

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- 3.9 Public Service Regulation 2001
- 3.10 The PSCBC Resolution No. 2 of 1999 and the Disciplinary Code and Procedures for the Public Service

4. SCOPE OF APPLICABILITY

4.1 *Persons to whom the policy applies*

This policy applies to all employees of the Department and relates to all attempts and incidents of fraud impacting or having the potential to impact on the department.

4.2 *Actions constituting fraud*

Actions constituting fraud include but are not limited to:

- (a) Any dishonest, fraudulent or corrupt act;
- (b) Maladministration or financial misconduct in handling or reporting of money, financial transactions or other assets;
- (c) Making a profit from insider knowledge;
- (d) Disclosing confidential or proprietary information to outside parties for financial or other advantage;
- (e) Requesting or accepting anything of material value (free of charge) from contractors, suppliers or other persons providing goods or services to the Department;
- (f) Irregular destruction, removal or abuse of records and equipment;
- (g) Deliberately omitting or refusing to report or act upon reports of any such irregular or dishonest conduct;
- (h) Bribery, blackmail, secret commissions and or extortion involving the department's employee in the performance of her or his duties;
- (i) Abuse of the department's facilities;
- (j) Any fraudulent activity.

5. OBJECTIVES OF THE POLICY

The key objective of this policy is to ensure that fraudulent activities are discouraged, exposed, mitigated and dealt with in the department in an integrated approach or manner.

Every effort should be made to ensure that service providers or potential service providers and employees are discouraged to become involved in any fraudulent activities.

- 5.1 Zero Tolerance to fraud serves as the basis of the department Fraud Prevention Policy. In addition, all fraudulent activities will be investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls. These prevention controls include the existing financial and other controls and checking mechanisms as prescribed in the systems, policies, procedures, rules and regulations of the department.
- 5.2 It is the responsibility of all employees of the department to report all incidents of fraud to their immediate superior/s, if for any reason it is suspected that even the superior is involved in fraudulent activities, the case must be referred to the Accounting Officer or Provincial Fraud Hotline.
- 5.3 All employees within department are responsible for the prevention and detection of fraud.
- 5.4 Members of the public are also encouraged to report suspected cases of fraudulent activities, either by department employees (e.g. abuse of assets fleet) or by service providers, to the Accounting Officer or the Provincial Fraud Hotline.

6. POLICY PROVISIONS

- 6.1 This policy promotes Zero Tolerance to fraud. All fraud will be investigated and followed up by the application of all remedies available within the full extent of the law as well as the application of appropriate prevention and detection controls. These prevention and detection controls include the existing financial and other controls mechanisms as prescribed in the systems, policies, procedures, rules and regulations of the department.
- 6.2 It is the responsibility of every employee of the department to report all incidents of fraud to her/ his Senior Manager/ Accounting Officer and/ or Provincial Fraud Hotline.
- 6.3 All employees in the department are responsible for the prevention and detection of fraud.

7. ROLES AND RESPONSIBILITIES

- 7.1 **The procedure to be followed when fraud is suspected:**

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- (a) It is the responsibility of all employees to immediately report all allegations or incidents of fraud to their immediate manager or, if the employee has reason to believe that his/her immediate manager is involved, then he/she must report to the next level of management. All managers must report all incidents and allegations of fraud to the Accounting Officer; and
- (b) The Accounting Officer will then communicate the allegation to the department's Integrity Management Unit
- (c) The Integrity Management Unit will assess the case to determine whether it can be investigated internally or externally taking into account the complexity of the reported case and internal resources
- (d) If the reported case cannot be investigated internally, the General Manager Integrity Management should report the case to the Provincial Internal Audit Services (Risk and Advisory Services) to initiate an investigation into the matter.

7.2 Members of the public must adhere to the following procedure when they suspect fraud impacting the Department:

If members of the public wish to report allegations of fraud anonymously, they can contact any member of management, the Accounting Officer or the General Manger: Integrity Management Unit (**Private Bag X 9037, PIETERMARITZBURG, 3200**) and/or the Fraud Hotline on the toll free number 0800 701 701. Alternatively a member of the public can contact the **Presidential Hotline number 17737**;

7.3 The department will deal with allegations of fraud as follows:

- (a) For issues raised by employees or members of the public, the action taken by the Office will depend on the nature of the concern. The matters raised may be:
 - (i) investigated through the Provincial Internal Audit Services (Risk and Advisory Unit); and/or
 - (ii) referred to the SAPS.
- (b) The Integrity Management Unit will provide a supporting role in matters relating to fraud and corruption.
- (c) The department's Integrity Unit will work closely with Provincial Internal Audit Unit (Risk and Advisory) to facilitate a more integrated strategic intelligence effort to:
 - (i) Support policy-making and the co-ordination of fraud control policy;

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- (ii) Conduct investigations via Provincial Internal Audit Services (Risk And Advisory Unit); and
 - (iii) Co-ordinate processes among law enforcement agencies involved in combating fraud within the Province, including the department.
- (d) Any fraud committed by an employee of the department will be pursued by thorough investigation and to the full extent of the law, including consideration of the following:
- (i) Taking disciplinary action within a reasonable period of time after the incident;
 - (ii) Instituting recovery of financial losses, including formal civil action;
 - (iii) Initiating criminal prosecution by reporting the matter to the SAPS or any other relevant law enforcement agency; and
 - (iv) Any other appropriate and legal remedy available.
- (e) The Accounting Officer and respective managers are also required to ensure that losses or damages suffered by the department as a result of all reported acts of fraud committed or omitted by an employee or any other person, are recovered from such an employee or other person if he or she is found to be liable.
- (f) The Accounting Officer or General Manager: Integrity Management will, upon receiving a report of fraud from an external person, write to the person (unless the report has been made anonymously) making the report:
- (i) Acknowledging that the concern has been received; and
 - (ii) Informing her or him whether any further investigations will take place, and if not, provide reasons.
- (g) The department accepts that those people, including employees who reported the alleged fraud need to be assured that the matter has been properly addressed. Thus, subject to legal constraints, information about outcomes of any investigation will be disseminated on a "need to know" basis.
- (h) The department will, on a regular basis, update the Cluster Audit and Risk Committee on the implementation of recommendations of finalized forensic reports.
- (i) The implementation of recommendations of finalised investigation reports will also be monitored by the department's Risk Committee.

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7.4 Responsibilities relating to public of sanctions

- (a) The Accounting Officer in consultation with the General Manager: Integrity Management will decide, whether any information relating to corrective actions taken or sanctions imposed regarding incidents of fraud should be brought to the direct attention of any person or made public through any means.

7.5 Confidentiality

- (a) All information relating to fraud that is received and investigated will be treated confidentially. The progress of investigations will be handled in a confidential manner and will not be disclosed or discussed with any person(s) other than those who have a legitimate right to such information. This is important to avoid harming the reputation of suspected persons who are subsequently found not guilty of wrongdoing.
- (b) No person is authorised to supply any information with regard to allegations or incidents of fraud to the media without the express permission of the department.

7.6 Protection of Whistle Blowers

- (a) No person will suffer any penalty or retribution for reporting in good faith, any suspected or actual incident of fraud.
- (b) Senior Managers must discourage employees or other parties from making allegations which are false and made with malicious intent. Where such allegations are discovered, the person who made the allegations will be subjected to firm disciplinary or other appropriate action.

7.7 Application of Prevention Controls and Detection Mechanism

In respect of all reported incidents of fraud, managers are required to immediately review, and where possible, improve the effectiveness of the controls which have been breached in order to prevent similar irregularities from taking place in future.

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7.8 Creating awareness

- (a) It is the responsibility of all senior managers to ensure that all employees are made aware of and receive appropriate training and education with regard to this policy.
- (b) The Risk Management Unit is responsible for communicating relevant sections of this policy to relevant stakeholders of the department.

8 FINANCIAL IMPLICATIONS

The Accounting Officer must ensure that adequate capacity is created for effective implementation this policy.

9 MONITORING, EVALUATION AND REVIEW

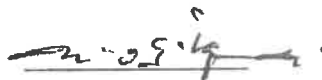
- (a) The custodian of this policy is the Accounting Office who is supported in its implementation by General Manager: Integrity Management and all Senior Managers within the department.
- (b) The Risk Committee, supported by the Accounting Officer and all Senior Managers employed by the department, is responsible for overseeing the effective implementation, monitoring and evaluation of this policy.
- (c) This policy will be reviewed annually and appropriate changes made as and when required.

10 IMPLEMENTATION DATE

The fraud policy was originally approved in October 2013.

APPROVED BY THE DIRECTOR GENERAL: MR NVE NGIDI

Signature:



Date:

12.09.14



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WHISTLE BLOWING POLICY

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DEFINATIONS AND TERMS

For the purpose of this policy, unless the context indicates otherwise, the following definitions are set out for the terms indicated:

“Risk Committee” means the KZN Office of the Premier Risk Management Committee appointed by the Accounting Officer to oversee the implementation of risk management including this policy within the department.

“Forensic Investigation Services” means the Forensic Unit, a sub unit within the KZN Provincial Internal Audit Services (PIAS). The unit responsible for forensic investigations in the KZN Provincial Administration.

“Provincial Internal Audit Unit” means a Directorate within KZN Provincial Treasury. The directorate is responsible for Assurance Services, Forensic Investigation Services, and Risk and Advisory Service in KZN Provincial Administration.

“Senior Management” means any employee who is on salary level 13 and higher in the department.

“Fraud” means the unlawful and intentional making of misrepresentation which causes actual prejudice or which is potentially prejudicial to another.

“SAPS” means South African Police Services.

“Act” means Protected Disclosures Act 26 of 2000.

1. INTRODUCTION

- 1.1. The Office of the Premier recognises that
- (a) Unethical conduct, fraud and corruption and other irregular conduct within the Office of the Premier are practices detrimental to good, effective, accountable and transparent governance within the Office of the Premier and can endanger the economic stability of the Office of the Premier and have the potential to cause social damage;
 - (b) There is a need for procedures in terms of which employees may, without fear of reprisals, disclose information relating to suspected or alleged criminal or other irregular conduct affecting the office of the Premier;
 - (c) Every employer and employee has a responsibility to disclose criminal and any other irregular conduct in the workplace; and
 - (d) Every employer has a responsibility to take all necessary steps to ensure that employees who disclose such information are protected from any reprisals as a result of such disclosure.

2. PURPOSE

The purpose of the policy is to provide mechanism for reporting suspected cases of fraud and irregularities. The policy also provides protection to officials and members of public for disclosures made without malice and in good faith.

3. AUTHORISATION

This policy is governed by the following legislation and policy documents:

- 3.1. Constitution of the Republic of South Africa, Act 108 of 1996.
- 3.2. Prevention and Combating of Corrupt Activities Act, Act 12 of 2004.
- 3.3. Criminal Procedure Act 51 of 1977.
- 3.4. Protected Disclosures Act, Act 26 of 2000.
- 3.5. The Public Service Code of Conduct as amended by PSR 2016.
- 3.6. Public Finance Management Act, Act 1 of 1999.
- 3.7. Cabinet resolution no 166 of 2000.
- 3.8. The KwaZulu – Natal Anti-Fraud and Anti–Corruption Strategy.

3.9. Public Service Regulations 2016.

3.10. The PSCBC Resolutions No. 2 of 1999 and the Disciplinary Code and Procedures for the Public Service.

4. SCOPE OF THE POLICY

4.1 There are existing grievance procedures in place to enable employees of the Office of the Premier to raise grievances relating to their employment. This Policy is intended to cover concerns that fall outside the scope of grievance procedures. These concerns indicated in the Act are the following:-

(a) That a criminal offence has been committed, is being committed or is likely to be committed;

(b) That a person has failed, is failing or is likely to fail to comply with any legal obligation to which that person is subject;

(c) That a miscarriage of justice has occurred, is occurring or is likely to occur;

(d) That the health or safety of an individual has been, is being or is likely to be endangered;

(e) That the environment has been, is being or likely to be damaged;

(f) Unfair discrimination as contemplated in the Promotion of Equality and Prevention of Unfair Discrimination Act, Act 4 of 2000; or

(g) That any matter referred to in paragraph (a) to (f) had been, is being or is likely to be deliberately concealed.

5. OBJECTIVES OF THE POLICY

5.1. The Policy is intended to encourage and enable staff to raise concerns within the Office of the Premier rather than overlooking a problem or blowing the whistle through inappropriate channels.

5.2. Furthermore the policy aims to:-

(a) Provide avenues for staff to raise concerns and receive feedback on any action to be taken by the department;

- (b) Inform staff on how to take the matter further if they are dissatisfied with the response; and
- (c) Reassure staff that they will be protected from reprisals or victimisation for whistle blowing in good faith.

6. PROTECTION OF WHISTLE BLOWERS

6.1. Protected Disclosures Act

- (a) This policy is developed based on the principle and objects of the Protected Disclosures Act, which encourages employees to disclose any acts of misconduct without fear of any recriminations or reprisals.
- (b) The Protected Disclosure Act 26 of 2000 came into effect on 16 February 2001. In order to remain in compliance with the Act the Office of the Premier:-
 - i. Provides protection to employees for disclosures made without malice and in good faith,
 - ii. Strive to create a culture which will facilitate the disclosure of information by employees relating to criminal and other irregular conduct in the workplace in a responsible manner by providing clear guidelines for the disclosure of such information and protection against reprisals as a result of such disclosure; and
 - iii. Promote the eradication of criminal and other irregular conduct within the Office of the Premier.

6.2. Harassment or Victimisation

- (a) The Office of the Premier will not tolerate harassment or victimisation and will take action to protect employees when they raise a concern in good faith. Any act of harassment or victimisation should be reported to the Director General, alternatively to the Chief Director Integrity Management Unit.

6.3. Confidentiality

- (a) The Office of the Premier will do its best to protect an individual's identity when he/she raises a concern and does not disclose their identity. It must be appreciated however, that the investigation process may reveal the source of the information and a statement may be required as part of the evidence.

7. REPORTING OF CONCERNS

- 7.1. For some minor issues (e.g. personal use of Office of the Premier's equipment), employees should normally raise the concerns with their immediate supervisor/manager. In general; however, the whistle blowing procedure is expected to be used for potentially more serious and sensitive issues (e.g. fraud and corruption).
- 7.2. When an official suspects or uncovers fraud and or corruption he/she has can immediately report the allegation or incident of fraud either to their immediate supervisor or to the head of Integrity Management Unit (033 341 2747) or alternatively call anonymously to the National Hotline on 0800 701 701.
- 7.3. Concerns are better raised in writing. The background and history of the concern giving names, dates and places where possible should be set out and the reason why the individual is particularly concerned about the situation.
- 7.4. Employees are not expected to prove the truth of an allegation; however, they will need to demonstrate to the person contacted or to the investigator that there are sufficient grounds for concern.
- 7.5. Advice and guidance on how matters of concern may be pursued can be obtained from the Chief Director Integrity Management Unit.

8. COMPLAINT MANAGEMENT PROCEDURES

- 8.1. The action taken by the Office of the Premier will depend on the nature of the concern. The possible actions to the matters raised may, among others be to:-
 - i. Investigate the matter internally through Integrity Management Unit;
 - ii. Refer the matter to Provincial Internal Audit Services (Forensic Investigations Services Unit);

- iii. Refer the matter to the SAPS or other relevant law enforcement agency.
- 8.2. In order to protect individuals and the Office of the Premier, initial enquiries will be made to decide whether an investigation is appropriate and, if so, what form it should take.
- 8.3. Some concerns may be resolved by agreed action without the need for investigation.
- 8.4. The Office of the Premier will write to complainants who have identified themselves:-
 - (a) Acknowledging that the concern has been received; and
 - (b) Informing them whether further investigations will take place, and if not, why not.
- 8.5. The amount of contact between the body investigating the issues and the persons raising the concern will depend on the nature of the matters raised, the potential difficulties involved and clarity of the information provided. If necessary further information will be sought from individual who has raised a concern.
- 8.6. The Office of the Premier accepts that employees need to be assured that the matter has been properly addressed. However, the progression of investigations will be handled in a confidential manner and will not be disclosed or discussed with any persons other than those who have legitimate right to such information. This is important in order to avoid damaging the reputation of suspected persons who are subsequently found innocent of wrongful conduct.

9. ANONYMOUS REPORTING

- (a) The Office of The Premier encourages employees to put their names to allegations as concerns raised anonymously may be difficult to investigate.
- (b) Concerns expressed anonymously will be followed up at the discretion of the Office of the Premier, in consultation with Integrity Management Unit and Forensic Investigation Services. This discretion will be applied by taking into account the following:-
 - i. Seriousness of the issue raised;
 - ii. Credibility of the concern; and
 - iii. Likelihood of confirming the allegation.

10. FALSE ALLEGATIONS

- (a) Employees or other parties must understand the implications (resources and costs) of undertaking investigations and should therefore guard against making allegations, which are false and made with malicious intent.
- (b) Employees who report / provide fictitious, fabricated and misleading information or with malicious intent (Mala Fides) will be charged with misconduct and may be criminally charged.

11. CREATING AWARENESS

- 11.1. In order for the Policy to be sustainable, it must be supported by a structured Office of the Premier's awareness campaign.
- 11.2. It is the responsibility of the Director General, Chief Director Integrity Management Unit and all Senior Managers to ensure that all employees are made aware of, and receive appropriate training with regard to the Whistle Blowing Policy.

12. FINANCIAL IMPLICATION

The Director General must ensure that funds are available to implement this policy.

13. MONITORING EVALUATION AND REVIEW

- (a) The custodian of this policy is the Director General who is supported in its implementation by the Chief Director Integrity Management Unit and all Senior Managers within the department.
- (b) The Integrity Management Unit, supported by the Director General and all Senior Managers employed by the department, is responsible for overseeing the effective implementation, monitoring and evaluation of this policy.
- (c) This policy will be reviewed annually and appropriate changes made as and when required.

14. IMPLEMENTATION DATE

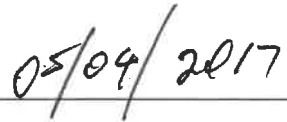
The whistle blowing policy was originally approved in October 2013 and having being reviewed after consultation in March 2017, will be implemented with effect from 01 April 2017.

APPROVED BY THE ACTING DIRECTOR GENERAL: MS PD KHUMALO

Signature:



Date:





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Annexure F

FRAUD PREVENTION AND WHISTLEBLOWING IMPLEMENTATION PLAN FOR THE FINANCIAL YEAR 2017/18

1. Purpose of this Document

This document sets out the Fraud Prevention Implementation Plan for the KZN Office of the Premier.

2. Objective of the Plan

The primary objective of fraud prevention implementation plan is to facilitate the execution of fraud prevention activities. The fraud prevention implementation plan for the Department was prepared to give effect to the implementation of the Fraud Prevention Strategy and sets out all fraud prevention activities planned for the 2017/18 Financial Year.

3. Approach of the Plan

3.1. The development of the fraud prevention implementation plan has taken into consideration:

3.1.1. Fraud Prevention Plan

3.2.2. Fraud Policy

3.2.3. Whistle Blowing Policy



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4. Detailed Fraud Prevention Plan

The detailed fraud prevention implementation plan is included below:

FRAUD PREVENTION IMPLEMENTATION PLAN					
Planned Action	Detailed Actions	Responsibility	Output	Due Date	
Develop/ Review and implementation of Fraud Policy	Annual review of the fraud policy by Integrity Management Unit and approved by the Director-General	DG CD IMU Director Anti-Fraud and Corruption	Reviewed Fraud policy	31 April 2018	
Review and implementation of the Fraud Prevention Plan	Annual review of the Fraud prevention plan and approved by DG Submit quarterly reports to Cluster Audit Risk Committee (CARC) on the implementation.	DG, CD IMU Director Anti-Fraud and Corruption	Approved Fraud Prevention Plan Progress reports	31 April 2018 Quarterly	
Conduct Fraud Awareness Campaigns (including Communication of Fraud Indicators)	Compile and roll out workshops in all Chief Directorates Develop a communication strategy on anti-corruption initiatives (intranet, posters, media) Publicise successes through provincial communication	Director Anti-Fraud and Corruption DD Anti-Fraud and Corruption	Completed workshops for all Chief Directorates Articles on internal magazines	Annually	
Conduct Ethics Awareness Campaigns (including the roll out of PSR 2016)	Compile and roll out ethics workshops in all Chief Directorates	Director Anti-Fraud and Corruption DD Anti-Fraud and Corruption	Completed workshops for all Chief Directorates	Annually	
Conduct Fraud Risk Assessment, including update of risk register with other	Conduct fraud risk assessment workshop (strategic and operational risks) Compile risk profile based on defined categories (critical and major risks)	CD IMU, Director Anti-Fraud and Corruption and Risk Manager	Fraud risk register	Annually	



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FRAUD PREVENTION IMPLEMENTATION PLAN

Planned Action	Detailed Actions	Responsibility	Output	Due Date
risks				
Develop/ Review Whistle Blowing Policy and implementation thereof	Annual review of the Whistleblowing policy and approved by the DG	DG, CD IMU Director Anti-Fraud and Corruption	Approved Whistleblowing policy	Annually
Develop/ Review Fraud Reporting and Investigation Processes	Strengthen the whistleblowing processes. Explore the publishing of major investigations disciplinary outcomes through respective newsletters Develop system of monitoring implementation of recommendations of investigation reports. Develop procedures for conducting investigations.	CD IMU Director Anti-Fraud and Corruption and, Director Labour Relations	Active whistleblowing mechanism. Follow up reports on the implementation of recommendations Approved fraud investigations procedures.	Quarterly
Review and implementation of Code of Conduct including awareness campaigns	Review the Public Service Code of Conduct for adoption by OTP. Conduct training programme to improve awareness and knowledge. Enforce implementation of approved codes and procedures.	CD IMU Director Human Resources Director Labour Relations Director Legal Services	Reviewed code of conduct	Annually
Review and implementation of Disciplinary Code and Procedures – including awareness campaigns	Conduct training programme to improve awareness and knowledge of the Disciplinary Codes and Procedures. Enforce implementation of Disciplinary Codes and Procedures	DG CD IMU Director Labour Relations	Reviewed disciplinary code and procedures	Annually
Declaration of Conflict of Interest (all Employees)	SMS members to submit their financial disclosures electronically by 30 April 2017. All officials to declare their financial interests as	DG Director DG's Support Director Human	Complete declarations	30 April 2017



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FRAUD PREVENTION IMPLEMENTATION PLAN

Planned Action	Detailed Actions	Responsibility	Output	Due Date
	per PSR 2016 and complete the form during the recruitment process.	Resources		
Monitoring External Remunerative Work	Processing of all applications for External Remunerative Work. Conducting continuous monitoring to detect conflict of interest.	DG Director Human Resources Director Anti-Fraud and Corruption	Application forms. Approval certificates.	Continuous
Implementation of Cabinet Resolutions on Fraud and Corruption	Timeously implement all the resolutions from Cabinet pertaining to fraud and corruption	DG CD IMU Director Anti-Fraud and Corruption	Implemented resolutions	Annually
Develop and Review of Fraud Indicators	Regularly develop and review the fraud and corruption indicators and conduct awareness to all officials	CD IMU Director Anti-Fraud and Corruption	Reviewed fraud indicators	Annually
Managing transversally reporting and monitoring investigations and incidents of fraud.	Report on all ongoing investigations to the Public Service Commission and CARC and refer investigations to Internal Audit Unit and monitor them	DG CD IMU Director Anti-Fraud and Corruption	Quarterly reports	Quarterly
Review of Internal Control to assess fraud detection and prevention processes effectiveness	Regularly review all internal controls to assess fraud detection by conducting risk assessment and checking compliance with policies	CD IMU Director Anti-Fraud and Corruption Director Risk Management	Reviewed Internal Controls	Annually
Report on Internal Risk Management and Fraud Prevention Committee,	Meet regularly to report on the assessments, risk register and mitigation plans progress and report to EXCO, MANCO and CARC	DG CD IMU Director Risk Management	Quarterly reports	Quarterly



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FRAUD PREVENTION IMPLEMENTATION PLAN

Planned Action	Detailed Actions	Responsibility	Output	Due Date
Review compliance with all relevant policies, procedures and prescripts.	Review all policies of the department and follow up on the implementation of policies and rate compliance thereof	DG Director Risk Management Relevant Directors	Compliance checklist	Quarterly
Review and implement delegation of authority	Review delegations of authority to be in line with policies and cost cutting measures and ensure proper implementation.	DG CFO	Reviewed and implemented delegation of authority	Annually
Facilitate acknowledgement by employees to the effect that they have read and understood and or aware of policies and procedures applicable to their duties	Employees to sign a declaration to the effect that they have read and understood and or aware of policies and procedures applicable to their duties	DG All DDGs All CDs	Completed declaration forms	30 April 2017 and on new appointments
Maintain adequate records serving as proof that employees have complied with requirements as stated above	Forms to be signed and submitted to HRM for record keeping and responsibility managers to keep copies	DG CD HRM	Adequate records	Continuous
Facilitate/ develop guidelines/ framework for sanctioning suppliers/employees found guilty of fraudulent/ unethical behaviour.	Develop guidelines/ framework for sanctioning suppliers found guilty of fraudulent/ unethical behaviour.	DG CFO Director SCM Director Labour Relations	Developed guidelines and sanctioned suppliers. Developed policy.	31 December 2017



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FRAUD PREVENTION IMPLEMENTATION PLAN

Planned Action	Detailed Actions	Responsibility	Output	Due Date
Develop a policy on conducting business with the department.	Develop and communicate a policy on conducting business with the department as per the DPSA directive.	DG CD HRM	Policy on Conducting Business with the department.	31 December 2017
Develop/ review a system to facilitate the consistent application of disciplinary measures	Review policies and systems in place for application of disciplinary measures to fraud and corruption to avoid inconsistency in applying measures which can lead to defence relying on the incorrect application for similar cases.	DG DDG Corporate Services Director Labour Relations	Reviewed system on consistent application of disciplinary measures	Annually
Include fraud prevention and management into the job description/ performance agreement of SMS Members	SMS Members to manage risks of fraud in their components by making employees aware of such and implications thereof, report suspicious incidents and implement internal controls as suggested.	DG DDG Corporate Services CD HRM All Responsibility Managers	Reviewed job descriptions and Performance Agreements	1 April 2017
Include in performance agreement and appraisal of SMS Members a number of audit queries raised and addressed	Include in performance agreements and performance appraisals of Managers a number of audit queries raised and addressed in their components	DG DDG Corporate Services All Responsibility Managers	Reviewed Performance Agreements and Appraisals	Annually
Review and assess risks concerning physical information security and develop an improvement plan where necessary	Conduct risk assessments pertaining to physical and information security and produce improvement plan detailing necessary steps to be taken to mitigate the risks	DG CD IT CD Security Director Risk Management	Completed risk assessments and Improvement plan	Annually



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FRAUD PREVENTION IMPLEMENTATION PLAN

Planned Action	Detailed Actions	Responsibility	Output	Due Date
(include awareness on IT policy and procedures) Monitor the implementation of all of the above and implementation of the Fraud Prevention Plan	Periodically implement all the actions of the FPP	DG EXCO Director Anti-Fraud and Corruption CD:IMU	Implemented actions	Quarterly